**Confidential Treatment Requested by Super League Gaming, Inc.**
**Pursuant to 17 C.F.R. Section 200.83**

**As confidentially submitted to the Securities and Exchange Commission on September 14, 2018. This draft registration statement has not been publicly filed with the Securities and Exchange Commission and all information herein remains strictly confidential.**

**Registration No. 333-**

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

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

## SUPER LEAGUE GAMING, INC.
(Exact name of registrant as specified in its charter)

| **Delaware** | **7374** | **47-1990734** |
|---|---|---|
| (State or other jurisdiction of incorporation or organization) | (Primary Standard Industrial Classification Code Number) | (I.R.S. Employer Identification Number) |

**2906 Colorado Ave.**
**Santa Monica, California 90404**
**(855) 248-7079**
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

**Ann Hand**
**President and Chief Executive Officer**
**Super League Gaming, Inc.**
**2906 Colorado Ave.**
**Santa Monica, California 90404**
**(855) 248-7079**
(Name, address, including zip code, and telephone number, including area code, of agent for service)

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**Approximate date of commencement of proposed sale to the public:**

**As soon as practicable after the effective date of this registration statement.**

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

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

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

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

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

| | | | |
|---|---|---|---|
| Large accelerated filer ☐ | Accelerated filer ☐ | Non-accelerated filer ☐ | Smaller reporting company ☒<br>Emerging growth company ☒ |

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

**CALCULATION OF REGISTRATION FEE**

| Title of Each Class of Securities to be Registered | Proposed Maximum Aggregate Offering Price [1] | Amount of Registration Fee [2] |
|---|---|---|
| Common Stock, $0.001 par value per share [3] | $ | $ |
| **Total** | $ | $ |

(1) In accordance with Rule 457(o) under the Securities Act of 1933, as amended, the number of shares being registered and the proposed maximum offering price per share are not included in this table.

(2) Estimated solely for purposes of computing the amount of the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended. Includes the offering price of additional shares that the underwriters have the option to purchase to cover over-allotments, if any.

(3) Pursuant to Rule 416 under the Securities Act, the shares registered hereby also include an indeterminate number of additional shares as may from time to time become issuable by reason of share splits, share dividends, recapitalizations or other similar transactions.

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

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

**SUBJECT TO COMPLETION, DATED , 2018**

**PRELIMINARY PROSPECTUS**

**Shares**


# SUPER LEAGUE GAMING, INC.

We are offering shares of our common stock. This is our initial public offering and no public market currently exists for our common stock. The initial public offering price of our common stock is expected to be between $ and $ per share. We have applied to list our common stock on the Nasdaq Capital Market under the symbol "SLGG."

We are an "emerging growth company" as the term is used in the Jumpstart Our Business Startups Act of 2012 and, as such, have elected to comply with certain reduced public company reporting requirements for this prospectus and future filings. See "*Prospectus Summary – Implications of Being an Emerging Growth Company*."

**Investing in our common stock involves risks. See "*Risk Factors*" beginning on page 9 of this prospectus for a discussion of the risks that you should consider in connection with an investment in our securities.**

| | Per Share | Total |
|---|---|---|
| Initial public offering price | $ | $ |
| Underwriting discounts and commissions[(1)] | $ | $ |
| Proceeds, before expenses, to us | $ | $ |

(1) In addition, we have agreed to issue a warrant to purchase up to shares of our common stock to the underwriters, which equates to % of the number of shares of our common stock to be issued and sold in this offering, and to reimburse the underwriters for certain expenses. See "*Underwriting*" for additional information regarding this warrant and underwriting compensation generally.

We have granted the underwriters an option to buy up to an additional shares of our common stock to cover over-allotments, if any. The underwriters may exercise this option at any time during the 30-day period from the date of this prospectus.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

Delivery of the shares will be made on or about , 2018, subject to customary closing conditions.

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*Joint Book-Running Managers*

**Northland Capital Markets** **Lake Street Capital Markets**

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**The date of this prospectus is , 2018**

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You should rely only on the information contained in this prospectus or in any free writing prospectus we or the underwriters may authorize to be delivered or made available to you. Neither we or the underwriters have authorized anyone to provide you with different information. We are offering to sell, and seeking offers to buy, shares of common stock only in jurisdictions where offers and sales are permitted. The information in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of shares of our common stock. Our business, financial condition, operating results and prospects may have changed since that date.

For investors outside of the United States: No action is being taken in any jurisdiction outside of the United States that would permit a public offering of the shares of our common stock or possession or distribution of this prospectus in any such jurisdiction. Persons outside of the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of common stock and the distribution of this prospectus outside of the United States.

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In this prospectus, unless the context indicates otherwise, references to "*Super League*," "*SLG*," "*we*," the "*Company*," "*our*" and "*us*" refer to Super League Gaming, Inc., a Delaware corporation, and references to the "*Board*" or the "*Board of Directors*" means the Board of Directors of the Company.

## PROSPECTUS SUMMARY

*This summary highlights information contained elsewhere in this prospectus and does not contain all of the information you should consider before investing in our common stock. You should read this entire prospectus carefully, including the section entitled "Risk Factors" and our financial statements and the related notes thereto included elsewhere in this prospectus, before making an investment decision.*

We are a leading amateur esports community and content platform offering a personalized experience to the large and underserved global audience of 2.3 billion gamers, as estimated by NewZoo. According to the Electronic Software Association, the avid gamer sees gameplay as central to their social life with 55% playing video games to connect with friends and 46% to spend time with family members. Through our proprietary, cloud-based technology platform, we connect our network of gamers, venues and brand partners to enable local, social and competitive esports that can be uniquely broadcast through our platform. We offer daily and season-focused offerings for which amateur competitive gamers establish meaningful connections with each other while improving their skills.

As a first-mover in defining the amateur esports category in 2015, we believe we are one of the most recognizable brands for amateur gamers. We have multi-year strategic partnerships with leading game publishers such as Microsoft Corporation ("*Microsoft*") and Riot Games, Inc. ("*Riot Games*") with titles including Minecraft and League of Legends, respectively, to drive use among our member base and further penetrate our target market. We deliver enhanced gaming experiences to our members with these titles through our platform, and we provide our venue and brand partners access to our member network and platform technology. We believe that our members and the organizations that use our platform are only beginning to leverage the power of the consumer experience, commercial benefits, and data analytics our technology enables. Primarily targeting Generation Z and Millennials, members join through accessible, free-to-play experiences, allowing us to reach the expansive amateur gaming market. We convert members into subscribers through offering two tiers of competitive gameplay engagement: (i) our monthly subscription for the more casual competitive player, offering access to exclusive weekly online tournaments, member benefits and our loyalty program; and (ii) our semi-annual season pass for the more competitive player offering access to our city leagues and advanced amateur esports offers along with membership rewards.

### Our Platform

Our proprietary cloud-based platform provides amateur gamers with a modernized way to connect, play and view games in real-time. We believe our platform will become central to the esports ecosystem and allow us to capture a significant portion of our members' gameplay hours and share-of-wallet for greater lifetime value. Our platform aggregates a diverse audience of gamers across multiple game titles and provides our members access to online, in-person and hybrid competitive experiences and broadcasts that are accessible to a broad range of ages and demographics. Through our platform, we have three core components that enable differentiated and immersive gameplay at scale: (i) our matchmaking system allows members to create their public-facing gamer persona and applies distinct criteria and filters around team size, skill level and geography to intelligently match our members for competitive gameplay and facilitate rich online and in-person social connections; (ii) our tournament system supports all major components of tournament operations and automation including, for example, ticketing, user management, event management, event operations, Application Program Interface ("*API*") integrations, data services, leaderboards and prize fulfillment; and (iii) our proprietary, cloud-based visualization and broadcast system is capable of capturing and live streaming gameplay across all digital distribution platforms and delivering separate streams simultaneously to multiple locations and channels.

The end broadcast result is our customizable Heads-up-Display ("*HUD*"), which complements the gameplay through dynamic visualization of player and team statistics, competitive status updates and contextual content that also can be uniquely displayed on a hyper-local level across venues. In addition, our proprietary SuperLeagueTV digital network is the first esports media property principally dedicated to amateur players and teams. Currently, live stream gameplay and video-on-demand ("*VOD*") content is broadcast through SuperLeagueTV on Twitch and YouTube. SuperLeagueTV's digital broadcast distribution is an essential way to drive viewership and membership interest along with new game title expansion and additional online and in-person experiences through our distributed venue partner network.

**Our Vision and History**

Our vision is to make Super League Gaming the preeminent brand and platform for amateur esports. We do this by providing a proprietary, end-to-end platform that allows our members to compete, socialize and spectate premium amateur esports gameplay and enables a wide ecosystem of partners to bring Super League experiences at scale to gamers around the world.

After securing strategic partnerships with the publishers of top-tier game titles beginning in 2016, we became the first consumer of our platform technology through the establishment of our city league consisting of 16 teams based in various U.S. cities built around Minecraft, League of Legends and, most recently, Clash Royale. In 2017, we further differentiated our offering by migrating to a cloud-based technology platform for scale while continuing to build and establish the Super League Gaming brand. We also developed intelligent technology that facilitates personalized experiences and matchmaking for gamers, and audience-targeted gameplay broadcasting content at scale. We are now positioned to unlock the platform more extensively to new game titles and a distributed network of venue operators and gameplay organizers in order to further develop a self-organizing marketplace for online and in-person gaming experiences.

**Industry Overview - The Esports Ecosystem**

The consumer appetite for esports continues to grow at a rapid pace with passionate fans across the globe. According to NewZoo, the global gaming market will reach approximately $137.9 billion by the end of 2018, representing a 13.3% increase from 2017. The consumer appetite for esports continues to grow at a rapid pace with passionate fans across the globe. Key trends fueling this growth in gaming include the rise of live streaming, real-time social networking within games, and multi-generational and lifestyle gaming.

In particular, the professional esports industry is growing quickly, evidenced through new leagues, teams and broadcast distribution channels, and this growth is attracting high-profile esports investments from brands, media organizations and traditional sports rights holders. As professional esports player salaries and the value of broadcast media rights have risen substantially, there is large unmet demand at the amateur level for competitions and viewing content, which, for esports fans, is predominantly consumed through live streaming and over-the-top ("*OTT*") channels. The following data points illustrate the vast growth opportunity for global esports:

- Recent reports show a "$15 billion blue sky revenue opportunity" for professional esports due to the highly engaged and untapped fanbase (Merrill Lynch Interactive Report, 2018).
- In 2018, Twitch will live stream an estimated 355 billion minutes of esports, and by 2022, esports is on track to reach 300 million global viewers, similar to the current audience size of the National Football League ("*NFL*") (Goldman Sachs Esports Equity Research, 2018).
- Gaming video content is estimated to be a $4.6 billion market with more viewers than HBO, Netflix, ESPN and Hulu combined (SuperData Research, 2017).
- Just a few top-tier game titles currently deliver hundreds of millions of gamers; estimated monthly active users ("*MAU*") for Fortnite, League of Legends and Minecraft is 125 million, 100 million and 74 million, respectively (Statista and Microsoft, 2018).
- The average U.S. gaming household has 1.7 gamers with 70% of parents believing gaming "has a positive influence on their children's lives" (Electronic Software Association, 2018).
- Esports enthusiasts on average have higher college graduation rates and average household incomes, with 43% earning greater than $75,000 per year, relative to traditional sports fans (Mindshare, Esports Fans: What Marketers Should Know, 2016).
- An average esports viewer spends up to nine hours per week watching esports-related content in addition to over eight hours of gameplay per week (Nielsen Esports Playbook, 2017).

**Our Opportunity**

We believe that our esports community platform will transform the way amateur gamers connect, interact, socialize and compete. Our premium, competitive gameplay experiences and elite amateur broadcasts, coupled with the expansion of our game title portfolio, our retail venue partner network and our strategic brand sponsorships, introduce new gamers into our customer funnel to drive membership growth and subscription conversion. Esports is still in its early stages and entering a new phase of growth. Despite the significant growth potential outlined above, there are several key challenges facing stakeholders in the esports landscape for which we can offer solutions:

| Stakeholder | Challenge | Super League's Solution |
|---|---|---|
| Amateur Gamers | As a highly fragmented, often anonymous community, gamers have limited ways to find gamers of similar skill-level for heightened competitive play and new social connections. | Through our end-to-end platform, we connect players online and locally for deeper competition and socialization along with providing a unique lens on amateur gameplay. |
| Game Publishers | With significant capital investment in developing games titles and increased competition, publishers need to grow and retain their gamer base to extend the lifecycle and franchise value of their intellectual property. | Through our offers and variety of alternative, premium experiences, we introduce titles to new audiences while deepening engagement among existing gamers for greater long-term retention. |
| Venue Operators (including restaurants and retailers) | To improve asset utilization and optimize weaker day-parts, venue operators need to draw new foot-traffic to establishments, improve overall customer satisfaction and retention. | Through our licensable technology, we provide access to our platform and enable esports experiences that attract a new customer base of both players and spectators to grow same-store sales. |
| Sponsors and Advertisers | In a world of increasing fragmentation of content distribution and ad-blocking technology, sponsors need to identify channels to reach gamers, particularly Generation Z and Millennials, with high quality and non-invasive advertising. | Through a range of high-touch experiences and customizable content, we deliver a highly targeted marketing channel that offers a relevant path for brands to build affinity with the target demographic. |
| Professional Esports Teams and Owners | With significant investments in esports teams, owners need to rapidly develop a fanbase to achieve franchise values similar to traditional sports teams as well as identify the next generation of professionals. | Through amateur youth and young adult leagues, we cultivate the future professional esports fanbase and provide a feeder system to the professional level. |

**Our Strengths**

We differentiate ourselves from potential competition through the power of a pure horizontal platform and established partnerships that enable experiences, community, content and commerce. Our core strengths include the following:

- **Game Publisher Agreements** provide access to existing user bases via strategic partnerships with some of the largest game publishers. These partnerships draw subscription interest and provide a line of defense. Our ability to interact with this highly attractive, engaged user base draws brands and sponsors to us to reach this otherwise hard-to-reach target.
- **Proprietary and Curated Content** provides a unique perspective to amateur competitive gameplay currently absent from the esports ecosystem and is highly complementary and valuable to the needs of large video streaming providers.
- **Patent-Pending Technology** allows for unique, intelligent content capture and visualization to facilitate maximum scale of interactive, in-person gaming, broadcast experience, and content monetization.
- **Over Three Years of Brand and Technology Development** provides us with a strong, distinctive lead on followers with no obvious competitors in the holistic community, league operations and media platform category.
- **A Diverse Set of Enterprise and Commercial Revenue Streams** enabled by a pure platform play that protects us from the risk of online-only offers subject to commoditization and advertising revenue dependency.
- **A Growing Member Base** coupled with highly customized gaming and viewing experiences allows us to capture a global, highly engaged, yet somewhat elusive community that we believe will provide many new ways to monetize over time.
- **Creation of Intangible Brand Value** in the quality of our offer, game titles, brand partners, and investor base that validates our trusted, premium brand and distinctive positioning to drive value in the fragmented, burgeoning esports

landscape.

**Our Growth Strategy**

Our core strategy is to pursue initiatives that promote the viral growth of our member base, and in doing so drive subscription, sponsorships and other new revenue streams utilizing the following levers:

- **Member Growth and Network Effect** is driven organically through direct marketing, partner and influencer promotion, as well as search engine optimization, but we believe the most efficient member acquisition will come through word of mouth and referral programs leading to a declining customer acquisition cost ("*CAC*") and accretive life time value ("*LTV*") over time.

- **Mutually Beneficial Relationships with Game Publishers,** along with our game-agnostic platform interface, allow us to access large, built-in customer bases from game titles amassing access to hundreds of millions of MAU and offering enhanced competitive gameplay experiences to deepen their connection to the game titles.

- **Strategic Retail Venue Partnerships** allow us to reach domestic and international scale by leveraging their infrastructure, operations and marketing to create daily, weekly and monthly in-person experiences with amateur gamers to drive more membership and competitive gameplay through our platform.

- **Brand and Media Partnerships** extend our platform by leveraging their broadcast, social and customer loyalty programs to extend our audience reach and drive more gamers and viewers into the top of our funnel.

- **International Expansion,** once we prove the model domestically, will enable us to access the massive global scale of gamers worldwide and unlock greater brand partnership and media rights revenue opportunities through global audience development.

**Selected Risk Related to our Business**

Our business is subject to numerous risks, including risks that may prevent us from achieving our business objectives or may adversely affect our business, financial condition, results of operations, cash flows and prospects, that you should consider before making an investment decision. Some of the more significant risks and uncertainties relating to an investment in our company are listed below. These risks are more fully described in the "*Risk Factors*" section of this prospectus immediately following this prospectus summary:

- overall strength and stability of general economic conditions, and of the esports industry, both in the United States and globally;
- changes in consumer demand for, and acceptance of, the game titles that we license for our tournaments and activities, as well as online multiplayer competitive amateur gaming in general;
- changes in the competitive environment, including new entrants in the market for online amateur competitive gaming, tournaments and competitions that compete with our own;
- competition from new entrants in the amateur esports space, and if we are unable to compete effectively, we may not be able to achieve or maintain significant market penetration or improve our results of operations;
- our ability to generate consistent revenue;
- our ability to effectively execute our business plan;
- changes in the licensing fees charged by the publishers of the most popular online video games;
- changes in laws or regulations governing our business and operations;
- our ability to maintain adequate liquidity and financing sources and an appropriate level of debt on terms favorable to us;
- our ability to effectively market our amateur city leagues, tournaments and competitions;
- our ability to obtain and protect our existing intellectual property protections, including patents, trademarks and copyrights;
- our ability to obtain and enter into new licensing agreements with game publishers and owners;
- our ability to list our shares on the Nasdaq Capital Market or any other national exchange and maintain such listing; and
- other risks described from time to time in periodic and current reports that we file with the Securities and Exchange Commission (the "*SEC*").

Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations. You should be able to bear a complete loss of your investment.

**Implications of Being an Emerging Growth Company**

As a company with less than $1.07 billion in revenue during our last fiscal year, we qualify as an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012 (the "*JOBS Act*"). An emerging growth company may take advantage of specified reduced reporting and other burdens that are otherwise applicable generally to public companies. These provisions include:

- A requirement to have only two years of audited financial statements and only two years of related Management's Discussion and Analysis of Financial Condition and Results of Operations;
- An exemption from the auditor attestation requirement on the effectiveness of our internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act of 2002, as amended (the "*Sarbanes-Oxley Act*");
- An extended transition period for complying with new or revised accounting standards;
- Reduced disclosure about our executive compensation arrangements; and
- No non-binding advisory votes on executive compensation or golden parachute arrangements.

We may take advantage of these provisions from the JOBS Act until the end of the fiscal year in which the fifth anniversary of this offering occurs, or such earlier time when we no longer qualify as an emerging growth company. We would cease to be an emerging growth company on the earlier of (i) the last day of the fiscal year (a) in which we have more than $1.07 billion in annual revenue or (b) in which we have more than $700 million in market value of our capital stock held by non-affiliates, or (ii) the date on which we issue more than $1.0 billion of non-convertible debt over a three-year period. We may choose to take advantage of some but not all of these reduced burdens under the JOBS Act. We have irrevocably taken advantage of other reduced reporting requirements in this prospectus, and we may choose to do so in future filings. To the extent we do, the information that we provide stockholders may be different than you might get from other public companies in which you hold equity interests.

**Corporate Information**

Super League Gaming, Inc. was incorporated under the laws of the State of Delaware on October 1, 2014 as Nth Games, Inc. On July 13, 2015, we changed our corporate name from Nth Games, Inc. to Super League Gaming, Inc. Our principal executive offices are located at 2906 Colorado Avenue, Santa Monica, California 90404, and our telephone number is (855) 248-7079. Our corporate website address is www.superleague.com. Information contained in, or accessible through, our website is not a part of this prospectus, and the inclusion of our website address in this prospectus is an inactive textual reference only.

**The Offering**

*The following summary is provided solely for your convenience and is not intended to be complete. You should read the full text and more specific details contained elsewhere in this prospectus*

| | |
|---|---|
| Issuer | Super League Gaming, Inc. |
| Common stock offered by us | shares |
| Over-allotment option | The underwriters have an option for a period of 30 days from the date of this prospectus to purchase up to additional shares of our common stock to cover over-allotments, if any. |
| Common stock to be outstanding after this offering | shares, or shares if the underwriters exercise their option to purchase additional shares in full. |
| Use of proceeds | We estimate that the net proceeds from this offering, after deducting underwriting discounts and commissions and estimated offering expenses payable by us, will be approximately $ million, or approximately $ million if the underwriters exercise their option to purchase additional shares from us in full, assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus. We intend to use the net proceeds of this offering for working capital and general corporate purposes, including sales and marketing activities, product development and capital expenditures. See "*Use of Proceeds*" for a more complete description of the intended use of proceeds from this offering |
| Risk factors | You should read the "*Risk Factors*" section of this prospectus and the other information in this prospectus for a discussion of factors to consider carefully before deciding to invest in shares of our common stock. |
| Proposed listing | We have applied to have our common stock listed on the Nasdaq Capital Market in connection with this offering. No assurance can be given that such listing will be approved. |
| Proposed Nasdaq Capital Market symbol | "SLGG" |

The number of shares of our common stock to be outstanding after this offering is based on 13,830,487 shares of our common stock outstanding as of September 14, 2018, and excludes:

- 6,338,176 shares of common stock issuable upon exercise of warrants to purchase our common stock, of which 3,793,301 warrants are callable at the election of the Company, at any time following the completion of this offering;
- 3,975,487 shares of common stock issuable upon exercise of options held and 1,454,513 shares of common stock reserved for issuance pursuant to our 2014 Plan (as defined herein); and
- shares of common stock issuable upon the exercise of the warrant to be issued to the underwriters, which equates to % of the number of shares of our common stock to be issued and sold in this offering.

Except as otherwise indicated, all information in this prospectus assumes the following:

- automatic conversion of our outstanding 9.00% secured convertible promissory notes issued between May 2018 and August 2018 into shares of our common stock;
- a one-for- reverse stock split of our common stock to be effected prior to the effectiveness of the registration statement of which this prospectus is a part; and
- no exercise by the underwriters of their option to purchase up to an additional shares of common stock from us in this offering to cover over-allotments, if any.

## SUMMARY FINANCIAL DATA

The following tables set forth a summary of our historical financial data as of, and for the periods ended on, the dates indicated. We have derived the statements of operations data for the years ended December 31, 2017 and 2016 from our audited financial statements included elsewhere in this prospectus. The statements of operations data for the six-months ended June 30, 2018 and 2017 and the balance sheet data as of June 30, 2018 have been derived from our unaudited financial statements included elsewhere in this prospectus and have been prepared on the same basis as the audited financial statements. In the opinion of our management, the unaudited data reflects all adjustments, consisting of normal and recurring adjustments, necessary for a fair presentation of results as of and for these periods. You should read this data together with our financial statements and related notes included elsewhere in this prospectus and the sections in this prospectus entitled "*Selected Financial Data*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*." Our historical results for any prior period are not indicative of our future results, and our results for the six-months ended June 30, 2018 may not be indicative of our results for the year ending December 31, 2018.

| | Year Ended December 31, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2017 | 2016 | 2018 | 2017 |
| **Statements of Operations Data:** | | | (unaudited) | |
| Sales | $ 201,182 | $ 269,892 | $ 486,859 | $ 34,042 |
| Cost of goods sold | 1,487,905 | 1,460,438 | 304,872 | 744,188 |
| Gross profit (loss) | (1,286,723) | (1,190,546) | 181,987 | (710,146) |
| Operating expenses: | | | | |
| Selling, marketing and advertising | 1,155,506 | 1,295,016 | 668,648 | 372,638 |
| Research and development | 61,543 | 142,380 | 7,670 | 27,534 |
| General and administrative | 12,451,636 | 9,737,460 | 7,244,139 | 5,705,805 |
| Total operating expenses | (13,668,685) | 11,174,856 | 7,920,457 | 6,105,977 |
| Income (loss) from operations | (14,955,408) | (12,365,402) | (7,738,470) | (6,816,123) |
| Other income (expense), net | - | - | (394,975) | 389 |
| Net loss | $(14,955,408) | $(12,365,402) | $(8,133,445) | $(6,815,734) |
| Net income (loss) per share attributable to common stockholders[1] | | | | |
| Basic | $ (1.17) | $ (1.53) | $ (0.59) | $ (0.58) |
| Diluted | $ (1.17) | $ (1.53) | $ (0.59) | (0.58) |
| Weighted average shares outstanding used in computing net income (loss) per share attributable to common stockholders[1] | | | | |
| Basic | 12,740,023 | 8,066,901 | 13,810,487 | 11,667,164 |
| Diluted | 12,740,023 | 8,066,901 | 13,810,487 | 11,667,164 |

(1) See Note 1 to each of our audited and unaudited condensed financial statements, respectively, included elsewhere in this prospectus for an explanation of the methods used to calculate the historical net income (loss) per share, basic and diluted, and the number of shares used in the computation of the per share amounts.

| | As of June 30, 2018 | |
|---|---|---|
| | Actual | As Adjusted [1] |
| **Balance Sheet Data:** | (unaudited) | |
| Cash | $ 785,269 | $ |
| Working capital | 1,780,948 | |
| Total assets | 2,749,075 | |
| Long-term notes payable | 3,057,851 | |
| Additional paid-in capital | 42,030,167 | |
| Accumulated deficit | (42,640,103) | |
| Total stockholders' deficit | (596,125) | |

(1) Pro forma as adjusted balance sheet data reflects the pro forma items described immediately above plus our sale of shares of common stock in this offering at an assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses payable by us. Pro forma as adjusted balance sheet data is illustrative only and will change based on the actual initial public offering price and other terms of this offering determined at pricing. Each $1.00 increase or decrease in the assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease pro forma as adjusted cash, total assets and total stockholders' deficit by approximately $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting underwriting discounts and commissions and

estimated offering expenses payable by us. We may also increase or decrease the number of shares we are offering. A 1,000,000 share increase or decrease in the number of shares offered by us would increase or decrease pro forma as adjusted cash, total assets and total stockholders' deficit by approximately $ million, assuming that the assumed initial price to public remains the same, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. These unaudited pro forma adjustments are based upon available information and certain assumptions we believe are reasonable under the circumstances.

## RISK FACTORS

*Investing in our common stock involves a high degree of risk. You should carefully consider the risks described below, as well as the other information in this prospectus, including our financial statements and the related notes thereto and "Management's Discussion and Analysis of Financial Condition and Results of Operations," before deciding whether to invest in our common stock. The occurrence of any of the events or developments described below could harm our business, financial condition, operating results, and growth prospects. In such an event, the market price of our common stock could decline, and you may lose all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operations.*

### Risks Related to Our Business and Industry

***We have incurred significant losses since our inception and we may continue to experience losses in the future.***

We incurred a net loss of approximately $14.9 million and $12.4 million, respectively, in 2017 and 2016. We expect that we will continue to incur costs and expenses such as development costs and bandwidth costs to support our video functions, personnel costs and other expenses to host our leagues and tournaments, costs to retain and attract gamers and license first tier game titles, grow our online gamer community and generally expand our business operations. We may not generate sufficient revenues to offset such costs to achieve or sustain profitability in the future. In addition, we expect to continue to invest heavily in our operations, in person experiences, business development related to game publishers, advertisers, sponsors and gamer capture, to accelerate as well as maintain our current market position, support anticipated future growth and to meet our expanded reporting and compliance obligations as a public company.

Our profitability is also affected by other factors beyond our control. For example, esports and live streaming of gameplay as a form of entertainment may not continue to retain or increase its popularity or viewership levels. In addition, advertisers and sponsors may not increase or maintain their spending on live streaming gaming platforms, including our gaming platform, or sponsorship of online and in person amateur tournaments and competitions. The continued success of our business depends on our ability to identify which games and titles will appeal to our community of gamers and to offer them through our amateur city league tournaments and competitions, and other experiences. Our profitability also depends in part on our ability to convert active gamers into subscription-based gamers competing in our city league tournaments, competitions and other experiences utilizing our gaming platform, attract sponsors and advertisers and successfully compete in a very competitive market.

***We are a relatively young company, and we may not be able to sustain our rapid growth, effectively manage our anticipated future growth or implement our business strategies.***

We have a limited operating history. Although we have experienced significant growth since our gaming platform for amateur online and in person gaming experiences was launched, and we established our amateur city leagues, tournaments and competitions, our historical growth rate may not be indicative of our future performance due to our limited operating history and the rapid evolution of our business model, including a focus on subscription-based gaming. We may not be able to achieve similar results or accelerate growth at the same rate as we have historically. As our amateur city leagues, tournaments and competitions continue to develop, we may adjust our strategy and business model to adapt. These adjustments may not achieve expected results and may have a material and adverse impact on our financial condition and results of operations.

In addition, our rapid growth and expansion have placed, and continue to place, significant strain on our management and resources. This level of significant growth may not be sustainable or achievable at all in the future. We believe that our continued growth will depend on many factors, including our ability to develop new sources of revenues, diversify monetization methods including our multi-tier subscription offerings, attract and retain competitive gamers, increase engagement, continue developing innovative technologies, tournaments and competitions in response to shifting demand in esports and online gaming, increase brand awareness, and expand into new markets. We cannot assure you that we will achieve any of the above, and our failure to do so may materially and adversely affect our business and results of operations.

***We are subject to risks associated with operating in a rapidly developing industry and a relatively new market.***

Many elements of our business are unique, evolving and relatively unproven. Our business and prospects depend on the continuing development of live streaming of competitive esports gaming. The market for esports and amateur online gaming competition is relatively new and rapidly developing and are subject to significant challenges. Our business relies upon our ability to cultivate and grow an active gamer community, and our ability to successfully monetize such community through tournament fees, subscriptions for our esports gaming services, and advertising and sponsorship opportunities. In addition, our continued growth depends, in part, on our ability to respond to constant changes in the esports gaming industry, including rapid technological evolution, continued shifts in gamer trends and demands, frequent introductions of new games and titles and the constant emergence of new industry standards and practices. Developing and integrating new games, titles, content, products, services or infrastructure could be expensive and time-consuming, and these efforts may not yield the benefits we expect to achieve at all. We cannot assure you that we will succeed in any of these aspects or that the esports gaming industry will continue to grow as rapidly as it has in the past.

***We generate a portion of our revenues from advertising and sponsorship. If we fail to attract more advertisers and sponsors to our gaming platform or tournaments or competitions, or if advertisers or sponsors are less willing to advertise with or sponsor us, our revenues may be adversely affected.***

We generate a growing portion of our revenues from advertising and sponsorship, which we expect to further develop and expand in the near future as online viewership of our esports gaming offerings expand. Our revenues from advertising and sponsorship partly depend on the continual development of the online advertising industry and advertisers' willingness to allocate budgets to online advertising in the esports gaming industry. In addition, companies that decide to advertise or promote online may utilize more established methods or channels, such as more established internet portals or search engines, over advertising on our gaming platform. If the online advertising and sponsorship market does not continue to grow, or if we are unable to capture and retain a sufficient share of that market, our ability to increase our current level of advertising and sponsorship revenue and our profitability and prospects may be materially and adversely affected.

Furthermore, our core and long-term priority of optimizing the gamer experience and satisfaction may limit our gaming platform's ability to generate revenues from advertising and sponsorship. For example, in order to provide our gamers with an uninterrupted competitive gaming experience, we do not place significant amounts of advertising on our streaming interface or insert pop-up advertisements during streaming. While this decision could adversely affect our operating results in the short-term, we believe it enables us to provide a superior gamer experience on our gaming platform, which will help us expand and maintain our current base of gamers and enhance our monetization potential in the long-term. However, this philosophy of putting our gamers first may also negatively impact our relationships with advertisers, sponsors or other third parties, and may not result in the long-term benefits that we expect, in which case the success of our business and operating results could be harmed.

***Our revenue model may not remain effective and we cannot guarantee that our future monetization strategies will be successfully implemented or generate sustainable revenues and profit.***

We generate revenues from advertising and sponsorship of our league tournaments, and through the operation of our live streaming gaming platform using a revenue model whereby gamers can get free access to certain live streaming of amateur tournaments, and gamers pay fees to compete in league competition. We have generated, and expect to continue to generate, a substantial portion of revenues using this revenue model in the near term. We are, however, particularly focused on implementing a multi-tier subscription model for our expanding gamer base. Although our business has experienced significant growth in recent years, there is no guarantee that our subscription packages will gain significant traction to maximize our growth rate in the future, as the demand for our offerings may change, decrease substantially or dissipate, or we may fail to anticipate and serve gamer demands effectively.

***Our marketing and advertising efforts may fail to resonate with amateur gamers.***

Our amateur city league tournaments and competitions are marketed through a diverse spectrum of advertising and promotional programs such as online and mobile advertising, marketing through websites, event sponsorship and direct communications with our gaming community including via email, blogs and other electronic means. An increasing portion of our marketing activity is taking place on social media platforms that are either outside, or not totally within, our direct control. Changes to gamer preferences, marketing regulations, privacy and data protection laws, technology changes or service disruptions may negatively impact our ability to reach target gamers. Our ability to market our amateur city league tournaments and competitions is dependent in part upon the success of these programs. If the marketing for our amateur city league tournaments and competitions fails to resonate and expand with the gamer community, or if advertising rates or other media placement costs increase, our business and operating results could be harmed.

***We have a unique community culture that is vital to our success. Our operations may be materially and adversely affected if we fail to maintain this community culture as we expand in our addressable gamer communities.***

We have cultivated an interactive and vibrant online social gamer community centered around amateur online and in person gaming. We ensure a superior gamer experience by continuously improving the user interface and features of our gaming platform along with offering a multitude of competitive and recreational gaming experiences with first tier esports games. We believe that maintaining and promoting a vibrant community culture is critical to retaining and expanding our gamer community. We have taken multiple initiatives to preserve our community culture and values. Despite our efforts, we may be unable to maintain our community culture and cease to be the preferred platform for our target gamers as we expand our gamer footprint, which would be detrimental to our business operations.

***The amateur esports gaming industry is intensely competitive. Gamers may prefer our competitors' amateur leagues, competitions or tournaments over our own.***

Competition in the amateur esports gaming industry generally is intense. Our competitors range from established leagues and championships owned directly, as well as leagues franchised by, well known and capitalized game publishers and developers, interactive entertainment companies and diversified media companies to emerging start-ups, and we expect new competitors to continue to emerge throughout the amateur esports gaming ecosystem. If our competitors develop and launch competing amateur city leagues, tournaments or competitions, or develop a more successful amateur online gaming platform, our revenue, margins, and profitability will decline.

***The amateur esports gaming industry is very "hit" driven. We may not have access to "hit" games or titles.***

Select game titles dominate competitive amateur esports and online gaming, including League of Legends, Minecraft, Fortnite and Overwatch, and many new games titles are regularly introduced in each major industry segment (console, mobile and PC free-to-download). Despite the number of new entrants, only a very few "hit" titles account for a significant portion of total revenue in each segment.

The size and engagement level of our online and in person gamers are critical to our success and are closely linked to the quality and popularity of the esports game publishers with which we have licenses. Esports game publishers on our gaming platform, including those who have entered into license agreements with us, may leave us for other gaming platforms or amateur leagues which may offer better competition, and terms and conditions than we do. Furthermore, we may lose esports game publishers if we fail to generate the number of gamers to our amateur tournaments and competitions expected by such publishers. In addition, if popular esports game publishers cease to license their games to us, or our live streams fail to attract gamers, we may experience a decline in gamer traffic, subscriptions and engagement, which may have a material and adverse impact on our results of operations and financial conditions.

Although we have entered into multi-year agreements with the publishers of League of Legends and Minecraft, if we fail to license multiple additional "hit" games or any of our existing licensed esports game publishers with which we currently have a license decide to breach the license agreement or choose not to continue with us once the term of the license agreement expires, the popularity of our amateur city leagues, tournaments and competitions may decline and the number of our gamers may decrease, which could materially and adversely affect our results of operations and financial condition.

In addition to the esports games we have licensed, we must continue to attract and retain the most popular esports gaming titles in order to maintain and increase the popularity of our amateur city leagues, tournaments and competitions, and ensure the sustainable growth of our gamer community. We must continue to identify and enter into license agreements with esports gaming publishers developing "hit' games that resonate with our community on an ongoing basis. We cannot assure you that we can continue to attract and retain the same level of first-tier esports game publishers and our ability to do so is critical to our future success.

***If we fail to keep our existing gamers highly engaged, to acquire new gamers, to successfully implement a multi-tier subscription model for our gaming community, our business, profitability and prospects may be adversely affected.***

Our success depends on our ability to maintain and grow the number of amateur gamers attending our tournaments and competitions, and using our gaming platform, and keeping our gamers highly engaged. Of particular importance is the successful initial deployment and expansion of a multi-tier subscription model to our gaming community for purposes of creating predictable recurring revenues.

In order to attract, retain and engage amateur gamers and remain competitive, we must continue to develop and expand our city leagues, including internationally, produce engaging tournaments and competitions, successfully license the newest "hit" esports games and titles, implement new technologies and strategies, improve features of our gaming platform and stimulate interactions in our gamer community.

A decline in the number of our amateur gamers in our ecosystem may adversely affect the engagement level of our gamers, the vibrancy of our gamer community, or the popularity of our amateur league play, which may in turn reduce our monetization opportunities, and have a material and adverse effect on our business, financial condition and results of operations. If we are unable to attract and retain, or convert gamers into subscription-based paying gamers, our revenues may decline and our results of operations and financial condition may suffer.

We cannot assure you that our online and in person gaming platform will remain sufficiently popular with amateur gamers to offset the costs incurred to operate and expand it. It is vital to our operations that we remain sensitive and responsive to evolving gamer preferences and offer first-tier esports game content that attracts our amateur gamers. We must also keep providing amateur gamers with new features and functions to enable superior content viewing, and social interaction. Further, we will need to continue to develop and improve our gaming platform and to enhance our brand awareness, which may require us to incur substantial costs and expenses. If such increased costs and expenses do not effectively translate into an improved gamer experience and subscription-based, long-term engagement, our results of operations may be materially and adversely affected.

***The ability to grow our business is dependent in part on the success and availability of mass media channels developed by third parties, as well as our ability to develop commercially successful content, and amateur tournaments and competitions.***

The success of our business is driven in part by the commercial success and adequate supply of third-party mass media channels for which we may distribute our content, amateur league tournaments and competitions, including Twitch, YouTube and ESL.tv. Our success also depends on our ability to accurately predict which channels and platforms will be successful with the esports gaming community, our ability to develop commercially successful content and distribute via SuperLeagueTV, which is presently available on Twitch, amateur tournaments and competition for these channels and gaming platforms and our ability to effectively manage the transition of our gamers from one generation or demographic to the next. Additionally, we may enter into certain exclusive licensing arrangements that affect our ability to deliver or market our amateur gaming tournaments and competitions on certain channels and platforms. A channel or platform may not succeed as expected or new channels or platforms may take market share and gamers away from platforms for which we have devoted significant resources. If demand for the channels or platforms for which we are developing amateur tournaments or competitions is lower than our expectations, we may be unable to fully recover the investments we have made, and our financial performance may be harmed. Alternatively, a channel or platform for which we have not devoted significant resources could be more successful than we initially anticipated, causing us to not be able to take advantage of meaningful revenue opportunities.

***Our business is subject to risks generally associated with the entertainment industry.***

Our business is subject to risks that are generally associated with the entertainment industry, many of which are beyond our control. These risks could negatively impact our operating results and include the popularity, price to play, and timing of release of our esports licensed games, economic conditions that adversely affect discretionary consumer spending, changes in gamer demographics, the availability and popularity of other forms of entertainment, and critical reviews and public tastes and preferences, which may change rapidly and cannot necessarily be predicted.

***If we fail to maintain and enhance our brand or if we incur excessive expenses in this effort, our business, results of operations and prospects may be materially and adversely affected.***

We believe that maintaining and enhancing our brand is of significant importance to the success of our business. A well-recognized brand is important to increasing the number of esports gamers and the level of engagement of our overall gaming community which is critical in enhancing our attractiveness to advertisers and sponsors. Since we operate in a highly competitive market, brand maintenance and enhancement directly affect our ability to maintain and enhance our market position.

Although we have developed our brand and amateur tournaments and competitions through word of mouth referrals, key strategic partners and our esports game publisher licensors, as we expand, we may conduct various marketing and brand promotion activities using various methods to continue promoting our brand. We cannot assure you, however, that these activities will be successful or that we will be able to achieve the brand promotion effect we expect.

In addition, any negative publicity in relation to our league tournaments or competitions, or operations, regardless of its veracity, could harm our brands and reputation. Negative publicity or public complaints from gamers may harm our reputation, and if complaints against us are not addressed to their satisfaction, our reputation and our market position could be significantly harmed, which may materially and adversely affect our business, results of operations and prospects.

***Negative gamer perceptions about our brand, gaming platform, amateur city leagues, tournaments or competitions and/or business practices may damage our business and increase the costs incurred in addressing gamer concerns.***

Esports gamer expectations regarding the quality, performance and integrity of our amateur city league tournaments and competitions are high. Esports gamers may be critical of our brand, gaming platform, amateur city leagues, tournaments or competitions and/or business practices for a wide variety of reasons. These negative gamer reactions may not be foreseeable or within our control to manage effectively, including perceptions about gameplay fairness, negative gamer reactions to game content via social media or other outlets, components and services, or objections to certain of our business practices. Negative gamer sentiment about our business practices also can lead to investigations from regulatory agencies and consumer groups, as well as litigation, which, regardless of their outcome, may be costly, damaging to our reputation and harm our business.

***Technology changes rapidly in our business and if we fail to anticipate or successfully implement new technologies or adopt new business strategies, technologies or methods, the quality, timeliness and competitiveness of our amateur city leagues, tournaments or competition may suffer.***

Rapid technology changes in the esports gaming market require us to anticipate, sometimes years in advance, which technologies we must develop, implement and take advantage of in order to be and remain competitive in the esports gaming market. We have invested, and in the future may invest, in new business strategies including a multi-tier subscription model, technologies, products, or games or first-tier game titles to continue to persistently engage the amateur gamer and deliver the best online and in person gaming experience. Such endeavors may involve significant risks and uncertainties, and no assurance can be given that the technology we choose to adopt and the features that we pursue will be successful. If we do not successfully implement these new technologies, our reputation may be materially adversely affected and our financial condition and operating results may be impacted. We also may miss opportunities to adopt technology, or develop amateur city leagues, tournaments or competitions that become popular with gamers, which could adversely affect our financial results. It may take significant time and resources to shift our focus to such technologies, putting us at a competitive disadvantage.

Our development process usually starts with particular gamer experiences in mind, and a range of technical development and feature goals that we hope to be able to achieve. We may not be able to achieve these goals, or our competitors may be able to achieve them more quickly and effectively than we can based on having greater operating capital and personnel resources. If we cannot achieve our technology goals within the original development schedule, then we may delay their release until these goals can be achieved, which may delay or reduce revenue and increase our development expenses. Alternatively, we may be required to significantly increase the resources employed in research and development in an attempt to accelerate our development of new technologies, either to preserve our launch schedule or to keep up with our competitors, which would increase our development expenses.

***We may experience security breaches and cyber threats.***

We continually face cyber risks and threats that seek to damage, disrupt or gain access to our networks and our gaming platform, supporting infrastructure, intellectual property and other assets. In addition, we rely on technological infrastructure, including third party cloud hosting and broadband, provided by third party business partners to support the in person and online functionality of our gaming platform. These business partners are also subject to cyber risks and threats. Such cyber risks and threats may be difficult to detect. Both our partners and we have implemented certain systems and processes to guard against cyber risks and to help protect our data and systems. However, the techniques that may be used to obtain unauthorized access or disable, degrade, exploit or sabotage our networks and gaming platform change frequently and often are not detected. Our systems and processes, and the systems and processes of our third-party business partners, may not be adequate. Any failure to prevent or mitigate security breaches or cyber risks, or respond adequately to a security breach or cyber risk, could result in interruptions to our gaming platform, degrade the gamer experience, cause gamers to lose confidence in our gaming platform and cease utilizing it, as well as significant legal and financial exposure. This could harm our business and reputation, disrupt our relationships with partners and diminish our competitive position.

Successful exploitation of our networks and gaming platform can have other negative effects upon the gamer experience we offer. In particular, the virtual economies that exist in certain of our licensed game publishers' games are subject to abuse, exploitation and other forms of fraudulent activity that can negatively impact our business. Virtual economies involve the use of virtual currency and/or virtual assets that can be used or redeemed by a player within a particular online game or service.

***Our business could be adversely affected if our data privacy and security practices are not adequate, or perceived as being inadequate, to prevent data breaches, or by the application of data privacy and security laws generally.***

In the course of our business, we may collect, process, store and use gamer and other information, including personally identifiable information, passwords and credit card information, the latter of which is subject to PCI-DSS compliance. Although we take measures to protect this information from unauthorized access, acquisition, disclosure and misuse, our security controls, policies and practices may not be able to prevent the improper or unauthorized access, acquisition or disclosure of such information. The unauthorized access, acquisition or disclosure of this information, or a perception that we do not adequately secure this information could result in legal liability, costly remedial measures, governmental and regulatory investigations, harm our profitability and reputation and cause our financial results to be materially affected. In addition, third party vendors and business partners receive access to information that we collect. These vendors and business partners may not prevent data security breaches with respect to the information we provide them or fully enforce our policies, contractual obligations and disclosures regarding the collection, use, storage, transfer and retention of personal data. A data security breach of one of our vendors or business partners could cause reputational harm to them and/or negatively impact our ability to maintain the credibility of our gamer community.

Data privacy, data protection, localization, security and consumer-protection laws are evolving, and the interpretation and application of these laws in the United States, Europe (including compliance with the General Data Protection Regulation), and elsewhere often are uncertain, contradictory and changing. It is possible that these laws may be interpreted or applied in a manner that is averse to us or otherwise inconsistent with our practices, which could result in litigation, regulatory investigations and potential legal liability or require us to change our practices in a manner adverse to our business. As a result, our reputation and brand may be harmed, we could incur substantial costs, and we could lose both gamers and revenue.

***We depend on servers to operate our games with online features and our proprietary online gaming service. If we were to lose server functionality for any reason, our business may be negatively impacted.***

Our business relies on the continuous operation of servers, some of which are owned and operated by third parties. Although we strive to maintain more than sufficient server capacity, and provide for active redundancy in the event of limited hardware failure, any broad-based catastrophic server malfunction, a significant service-disrupting attack or intrusion by hackers that circumvents security measures, a failure of disaster recovery service or the failure of a company on which we are relying for server capacity to provide that capacity for whatever reason could degrade or interrupt the functionality of our platform, and could prevent the operation of our platform for both in-person and online gaming experiences.

We also rely on networks operated by third parties to support content on our platform, including networks owned and operated by game publishers. An extended interruption to any of these services could adversely affect the use of our platform, which would have a negative impact on our business.

Further, insufficient server capacity could also negatively impact our business. Conversely, if we overestimate the amount of server capacity required by our business, we may incur additional operating costs.

***Our online gaming platform and games offered through our gaming platform may contain defects.***

Our online gaming platform and the games offered through our gaming platform are extremely complex, and are difficult to develop and distribute. We have quality controls in place to detect defects in our gaming platform before they are released. Nonetheless, these quality controls are subject to human error, overriding, and reasonable resource or technical constraints. Further, we have not undertaken independent third-party testing, verification or analysis of our gaming platform and associated systems and controls. Therefore, our gaming platform and quality controls and preventative measures we have implemented may not be effective in detecting all defects in our gaming platform. In the event a significant defect in our gaming platform and associated systems and controls is realized, we could be required to offer refunds, suspend the availability of our city league competitions and other gameplay, or expend significant resources to cure the defect, each of which could significantly harm our business and operating results.

***We may experience outages and disruptions of our infrastructure.***

We may experience outages or disruptions of our infrastructure, including information technology system failures and network disruptions, cloud hosting and broadband availability at in person and online experiences. These may be caused by natural disasters, cyber-incidents, weather events, power disruptions, telecommunications failures, acts of terrorism or war or other events. System redundancy may be ineffective or inadequate, and our disaster recovery planning may not be sufficient for all eventualities. Such failures or disruptions could prevent access to our products, services or online stores selling our products and services. Our corporate headquarters in Santa Monica, California are located in seismically active regions, and certain of our development activities and other essential business operations are conducted at these locations. An event that results in the disruption of any of our critical business or information technology systems could harm our ability to conduct normal business operations.

***We use third-party services and technologies in connection with our business, and any disruption to the provision of these services and technologies to us could result in negative publicity and a slowdown in the growth of our users, which could materially and adversely affect our business, financial condition and results of operations.***

Our business partially depends on services provided by, and relationships with, various third parties, including cloud hosting and broadband providers, among others. To this end, when our cloud hosting and broadband vendors experience outages, our esports gaming services will be negatively impacted and alternative resources will not be immediately available. In addition, certain third-party software we use in our operations is currently publicly available free of charge. If the owner of any such software decides to charge users or no longer makes the software publicly available, we may need to incur significant costs to obtain licensing, find replacement software or develop it on our own. If we are unable to obtain licensing, find or develop replacement software at a reasonable cost, or at all, our business and operations may be adversely affected.

We exercise no control over the third-party vendors that we rely upon for cloud hosting, broadband and software service. If such third parties increase their prices, fail to provide their services effectively, terminate their service or agreements or discontinue their relationships with us, we could suffer service interruptions, reduced revenues or increased costs, any of which may have a material adverse effect on our business, financial condition and results of operations.

***Growth and engagement of our gamer community depends upon effective interoperability with mobile operating systems, networks, mobile devices and standards that we do not control.***

We make our services available across a variety of mobile operating systems and devices. We are dependent on the interoperability of our services with popular mobile devices and mobile operating systems that we do not control, such as Android and iOS. Any changes in such mobile operating systems or devices that degrade the functionality of our services or give preferential treatment to competitive services could adversely affect usage of our services. In order to deliver high quality services, it is important that our services work well across a range of mobile operating systems, networks, mobile devices and standards that we do not control. We may not be successful in developing relationships with key participants in the mobile industry or in developing services that operate effectively with these operating systems, networks, devices and standards. In the event that it is difficult for our users to access and use our services, particularly on their mobile devices, our user growth and user engagement could be harmed, and our business and operating results could be adversely affected.

***Our business depends substantially on the continuing efforts of our executive officers, key employees and qualified personnel, and our business operations may be severely disrupted if we lose their services.***

Our future success depends substantially on the continued efforts of our executive officers and key employees. If one or more of our executive officers or key employees were unable or unwilling to continue their services with us, we might not be able to replace them easily, in a timely manner, or at all. Since the esports gaming industry is characterized by high demand and intense competition for talents, we cannot assure you that we will be able to attract or retain qualified staff or other highly skilled employees. In addition, as the Company is relatively young, our ability to train and integrate new employees into our operations may not meet the growing demands of our business which may materially and adversely affect our ability to grow our business and hence our results of operations.

If any of our executive officers and key employees terminates their services with us, our business may be severely disrupted, our financial condition and results of operations may be materially and adversely affected and we may incur additional expenses to recruit, train and retain qualified personnel. If any of our executive officers or key employees joins a competitor or forms a competing company, we may lose gamers, know-how and key professionals and staff members. Certain of our executive officers and key employees have entered into a non-solicitation and non-competition agreements with us. However, certain provisions under the non-solicitation and non-competition agreement may be deemed legally invalid or unenforceable. If any dispute arises between our executive officers and us, we cannot assure you that we would be able to enforce these non-compete agreements.

***Our business is subject to regulation, and changes in applicable regulations may negatively impact our business.***

We are subject to a number of foreign and domestic laws and regulations that affect companies conducting business on the Internet. In addition, laws and regulations relating to user privacy, data collection, retention, electronic commerce, virtual items and currency, consumer protection, content, advertising, localization, and information security have been adopted or are being considered for adoption by many jurisdictions and countries throughout the world. These laws could harm our business by limiting the products and services we can offer consumers or the manner in which we offer them. The costs of compliance with these laws may increase in the future as a result of changes in interpretation. Furthermore, any failure on our part to comply with these laws or the application of these laws in an unanticipated manner may harm our business and result in penalties or significant legal liability.

In addition, we include modes in our gaming platform that allow players to compete against each other. Although we structure and operate these skill-based competitions with applicable laws in mind, our skill-based competitions in the future could become subject to evolving rules and regulations and expose us to significant liability, penalties and reputational harm.

***Our online activities are subject to various laws and regulations relating to privacy and child protection, which, if violated, could subject us to an increased risk of litigation and regulatory actions.***

In addition to our gaming platform, we use third-party applications, websites, and social media platforms to promote our amateur tournaments and competitions and engage gamers, as well as monitor and collect certain information about gamers in our online forums. A variety of laws and regulations have been adopted in recent years aimed at protecting children using the internet such as the Children's Online Privacy and Protection Act of 1998 ("*COPPA*"). COPPA sets forth, among other things, a number of restrictions on what website operators can present to children under the age of 13 and what information can be collected from them. COPPA is of particular concern to us, and in an effort to minimize our risk of potential exposure, we retained a COPPA expert as a consultant and have posted a compliant privacy policy, terms of use and various other policies on our website. We undertake significant effort to implement certain precautions to ensure that access to our gaming platform for competitive gameplay is COPPA compliant. Despite our efforts, no assurances can be given that such measures will be sufficient to completely avoid exposure and COPPA violations, any of which could expose us to significant liability, penalties, reputational harm and loss of revenue, among other things.

***The laws and regulations concerning data privacy are continually evolving. Failure to comply with these laws and regulations could harm our business.***

Consumers are able to play our licensed game titles online, using our platform. We collect and store information about our consumers both personally identifying and non-personally identifying information. We are subject to laws from a variety of jurisdictions regarding privacy and the protection of this information in addition to COPPA. For example, the E.U. has traditionally taken a broader view than the United States and certain other jurisdictions as to what is considered personal information and has imposed greater obligations under data privacy regulations.

Data privacy protection laws are rapidly changing and likely will continue to do so for the foreseeable future, which could impact our approach to operating our platform. For example, the European Union's General Data Protection Regulation (the "*GDPR*"), which became effective in May 2018, imposes a range of new compliance obligations for us and other companies with European users, and increases financial penalties for noncompliance significantly. Regulators have not yet issued clear guidance for many of these new compliance obligations under the GDPR. The U.S. government, including the Federal Trade Commission and the Department of Commerce, is continuing to review the need for greater regulation over the collection of personal information and information about consumer behavior on the Internet and on mobile devices, and the E.U. has proposed reforms to its existing data protection legal framework, including the GDPR. Various government and consumer agencies worldwide have also called for new regulation and changes in industry practices. In addition, in some cases, we are dependent upon our platform providers to solicit, collect and provide us with information regarding our consumers that is necessary for compliance with these various types of regulations.

Player interaction on our platform is subject to our privacy policies, end user license agreements ("*EULAs*"), and terms of service. If we fail to comply with our posted privacy policies, EULAs, or terms of service, or if we fail to comply with existing privacy-related or data protection laws and regulations, it could result in proceedings or litigation against us by governmental authorities or others, which could result in fines or judgments against us, damage our reputation, impact our financial condition and harm our business. If regulators, the media, or consumers raise any concerns about our privacy and data protection or consumer protection practices, even if unfounded, this could also result in fines or judgments against us, damage our reputation, negatively impact our financial condition, and damage our business.

***The preparation of our financial statements involves the use of good faith estimates, judgments and assumptions, and our financial statements may be materially affected if such good faith estimates, judgments or good faith assumptions prove to be inaccurate.***

Financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("*GAAP*") typically require the use of good faith estimates, judgments and assumptions that affect the reported amounts. Often, different estimates, judgments and assumptions could reasonably be used that would have a material effect on such financial statements, and changes in these estimates, judgments and assumptions may occur from period to period over time. Significant areas of accounting requiring the application of management's judgment include, but are not limited to, determining the fair value of assets, share-based compensation and the timing and amount of cash flows from assets. These estimates, judgments and assumptions are inherently uncertain and, if our estimates were to prove to be wrong, we would face the risk that charges to income or other financial statement changes or adjustments would be required. Any such charges or changes would require a restatement of our financial statements and could harm our business, including our financial condition and results of operations and the price of our securities. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" for a discussion of the accounting estimates, judgments and assumptions that we believe are the most critical to an understanding of our financial statements and our business.

***We may be held liable for information or content displayed on, retrieved from or linked to our gaming platform, or distributed to our users.***

Our interactive live streaming platform enables gamers to exchange information and engage in various other online activities. Although we require our gamers to register their real name, we do not require user identifications used and displayed during gameplay to contain any real-name information, and hence we are unable to verify the sources of all the information posted by our gamers. In addition, because a majority of the communications on our online and in person gaming platform is conducted in real time, we are unable to examine the content generated by gamers before they are posted or streamed. Therefore, it is possible that gamers may engage in illegal, obscene or incendiary conversations or activities, including publishing of inappropriate or illegal content that may be deemed unlawful. If any content on our platform is deemed illegal, obscene or incendiary, or if appropriate licenses and third-party consents have not been obtained, claims may be brought against us for defamation, libel, negligence, copyright, patent or trademark infringement, other unlawful activities or other theories and claims based on the nature and content of the information delivered on or otherwise accessed through our platform. Moreover, the costs of compliance may continue to increase when more content is made available on our platform as a result of our growing base of gamers, which may adversely affect our results of operations.

***Intensified government regulation of the Internet industry could restrict our ability to maintain or increase the level of traffic to our gaming platform as well as our ability to capture other market opportunities.***

The Internet industry is increasingly subject to strict scrutiny. New laws and regulations may be adopted from time to time to address new issues that come to the authorities' attention. We may not timely obtain or maintain all the required licenses or approvals or make all the necessary filings in the future. We also cannot assure you that we will be able to obtain the required licenses or approvals if we plan to expand into other Internet businesses. If we fail to obtain or maintain any of the required licenses or approvals or make the necessary filings, we may be subject to various penalties, which may disrupt our business operations or derail our business strategy, and materially and adversely affect our business, financial condition and results of operations.

***From time to time we may become involved in legal proceedings.***

From time to time we may become subject to legal proceedings, claims, litigation and government investigations or inquiries, which could be expensive, lengthy, disruptive to normal business operations and occupy a significant amount of our employees' time and attention. In addition, the outcome of any legal proceedings, claims, litigation, investigations or inquiries may be difficult to predict and could have a material adverse effect on our business, operating results, or financial condition.

**Risks Related to Intellectual Property**

***We may be subject to claims of infringement of third-party intellectual property rights.***

From time to time, third parties may claim that we have infringed their intellectual property rights. For example, patent holding companies may assert patent claims against us in which they seek to monetize patents they have purchased or otherwise obtained. Although we take steps to avoid knowingly violating the intellectual property rights of others, it is possible that third parties still may claim infringement.

Existing or future infringement claims against us, whether valid or not, may be expensive to defend and divert the attention of our employees from business operations. Such claims or litigation could require us to pay damages, royalties, legal fees and other costs. We also could be required to stop offering, distributing or supporting esports games, our gaming platform or other features or services which incorporate the affected intellectual property rights, redesign products, features or services to avoid infringement, or obtain a license, all of which could be costly and harm our business.

In addition, many patents have been issued that may apply to potential new modes of delivering, playing or monetizing interactive entertainment software products and services, such as those offered on our gaming platform or that we would like to offer in the future. We may discover that future opportunities to provide new and innovative modes of game play and game delivery to gamers may be precluded by existing patents that we are unable to license on reasonable terms.

***Our technology, content and brands are subject to the threat of piracy, unauthorized copying and other forms of intellectual property infringement.***

We regard our technology, content and brands as proprietary and take measures to protect our technology, content and brands and other confidential information from infringement. Piracy and other forms of unauthorized copying and use of our technology, content and brands are persistent, and policing is difficult. Further, the laws of some countries in which our products are or may be distributed either do not protect our intellectual property rights to the same extent as the laws of the United States, or are poorly enforced. Legal protection of our rights may be ineffective in such countries. In addition, although we take steps to enforce and police our rights, factors such as the proliferation of technology designed to circumvent the protection measures used by our business partners or by us, the availability of broadband access to the Internet, the refusal of Internet service providers or platform holders to remove infringing content in certain instances, and the proliferation of online channels through which infringing product is distributed all have contributed to an expansion in unauthorized copying of our technology, content and brands.

***Third parties may register trademarks or domain names or purchase internet search engine keywords that are similar to our registered trademark or pending trademarks, brands or websites, or misappropriate our data and copy our gaming platform, all of which could cause confusion, divert gamers away from our gaming platform and league tournaments, or harm our reputation.***

Competitors and other third parties may purchase (i) trademarks that are similar to our trademarks and (ii) keywords that are confusingly similar to our brands or websites in internet search engine advertising programs and in the header and text of the resulting sponsored links or advertisements in order to divert gamers from us to their websites. Preventing such unauthorized use is inherently difficult. If we are unable to prevent such unauthorized use, competitors and other third parties may continue to drive potential gamers away from our gaming platform to competing, irrelevant or potentially offensive platforms, which could harm our reputation and cause us to lose revenue.

***We may not be able to prevent others from unauthorized use of our intellectual property, which could harm our business and competitive position.***

We regard our registered trademark and pending trademarks, service marks, pending patents, domain names, trade secrets, proprietary technologies and similar intellectual property as critical to our success. We rely on trademark and patent law, trade secret protection and confidentiality and license agreements with our employees and others to protect our proprietary rights.

We have invested significant resources to develop our own intellectual property and acquire licenses to use and distribute the intellectual property of others on our gaming platform. Failure to maintain or protect these rights could harm our business. In addition, any unauthorized use of our intellectual property by third parties may adversely affect our current and future revenues and our reputation.

Policing unauthorized use of proprietary technology is difficult and expensive. We rely on a combination of patent, copyright, trademark and trade secret laws and restrictions on disclosure to protect our intellectual property rights. Further, we require every employee and consultant to execute proprietary information and invention agreements prior to commencing work. Despite our efforts to protect our proprietary rights, third parties may attempt to copy or otherwise obtain and use our intellectual property or seek court declarations that they do not infringe upon our intellectual property rights. Monitoring unauthorized use of our intellectual property is difficult and costly, and we cannot assure you that the steps we have taken will prevent misappropriation of our intellectual property. From time to time, we may have to resort to litigation to enforce our intellectual property rights, which could result in substantial costs and diversion of our resources.

***Our patent and trademark applications may not be granted and our patent and trademark rights, once patents are issued and trademarks are registered, may be contested, circumvented, invalidated or limited in scope, and our patent and trademark rights may not protect us effectively once issued and registered, respectively. In particular, we may not be able to prevent others from developing or exploiting competing technologies and trademarks, which could have a material and adverse effect on our business operations, financial condition and results of operations.***

Currently, we have three patent applications pending, one registered trademark and eighteen pending trademark applications, along with licenses from game publishers to utilize their proprietary games. For our pending patent applications and we cannot assure you that we will be granted patents pursuant to our pending applications as well as future patent applications we intend to file. Even if our patent applications succeed, it is still uncertain whether these patents will be contested, circumvented or invalidated in the future. In addition, the rights granted under any issued patents may not provide us with sufficient protection or competitive advantages. The claims under any patents that issue from our patent applications may not be broad enough to prevent others from developing technologies that are similar or that achieve results similar to ours. It is also possible that the intellectual property rights of others will bar us from licensing and from exploiting any patents that issue from our pending applications. Numerous U.S. and foreign issued patents and pending patent applications owned by others exist in the fields in which we have developed and are developing our technology. These patents and patent applications might have priority over our patent applications and could subject our patent applications to invalidation. Finally, in addition to those who may claim priority, any of our pending patent and trademark applications may also be challenged by others on the basis that they are otherwise invalid or unenforceable.

***We may be held liable for information or content displayed on, retrieved from or linked to our gaming platform, or distributed to our users.***

Our interactive live streaming platform enables gamers to exchange information and engage in various other online activities. Although we require our gamers to register their real name, we do not require user identifications used and displayed during gameplay to contain any real-name information, and hence we are unable to verify the sources of all the information posted by our gamers. In addition, because a majority of the communications on our online and in person gaming platform is conducted in real time, we are unable to examine the content generated by gamers before they are posted or streamed. Therefore, it is possible that gamers may engage in illegal, obscene or incendiary conversations or activities, including publishing of inappropriate or illegal content that may be deemed unlawful. If any content on our platform is deemed illegal, obscene or incendiary, or if appropriate licenses and third-party consents have not been obtained, claims may be brought against us for defamation, libel, negligence, copyright, patent or trademark infringement, other unlawful activities or other theories and claims based on the nature and content of the information delivered on or otherwise accessed through our platform. Moreover, the costs of compliance may continue to increase when more content is made available on our platform as a result of our growing base of gamers, which may adversely affect our results of operations.

***Intensified government regulation of the Internet industry could restrict our ability to maintain or increase the level of traffic to our gaming platform as well as our ability to capture other market opportunities.***

The Internet industry is increasingly subject to strict scrutiny. New laws and regulations may be adopted from time to time to address new issues that come to the authorities' attention. We may not timely obtain or maintain all the required licenses or approvals or make all the necessary filings in the future. We also cannot assure you that we will be able to obtain the required licenses or approvals if we plan to expand into other Internet businesses. If we fail to obtain or maintain any of the required licenses or approvals or make the necessary filings, we may be subject to various penalties, which may disrupt our business operations or derail our business strategy, and materially and adversely affect our business, financial condition and results of operations.

***From time to time we may become involved in legal proceedings.***

From time to time we may become subject to legal proceedings, claims, litigation and government investigations or inquiries, which could be expensive, lengthy, disruptive to normal business operations and occupy a significant amount of our employees' time and attention. In addition, the outcome of any legal proceedings, claims, litigation, investigations or inquiries may be difficult to predict and could have a material adverse effect on our business, operating results, or financial condition.

**Risks Related to our Common Stock and this Offering**

***There is currently no trading market for our common stock and we cannot ensure that one will ever develop or be sustained***.

There is no current market for any of our shares of common stock and a market may not develop. We have applied to list our common stock on the Nasdaq Capital Market and intend to list our common stock on the Nasdaq Capital Market if we raise sufficient capital in this offering, but there is no guarantee that we will be able to do so. If we are not successful in listing our shares of common stock on the Nasdaq Capital Market, our common stock may be traded on an over-the-counter market to the extent any demand exists. Even if listed on the Nasdaq Capital Market, a liquid trading market may not develop. Investors should assume that they may not be able to liquidate their investment for some time or be able to pledge their shares as collateral.

***If we successfully list on Nasdaq Capital Market, our shares are likely to be thinly traded for some time and an active market may never develop.***

If we successfully list on the Nasdaq Capital Market, it is likely that initially there will be a very limited trading market for our common stock and we cannot ensure that a robust trading market will ever develop or be sustained. Our shares of common stock may be thinly traded, and the price, if traded, may not reflect our actual or perceived value. There can be no assurance that there will be an active market for our shares of common stock in the future. The market liquidity will be dependent on the perception of our operating business, competitive forces, state of the esports gaming industry, growth rate and becoming cash flow profitable on a sustainable basis, among other things. We may, in the future, take certain steps, including utilizing investor awareness campaigns, press releases, road shows, and conferences to increase awareness of our business and any steps that we might take to bring us to the awareness of investors may require we compensate financial public relations firms with cash and/or stock. There can be no assurance that there will be any awareness generated or the results of any efforts will result in any impact on our trading volume. Consequently, investors may not be able to liquidate their investment or liquidate it at a price that reflects the value of the business and trading may be at an inflated price relative to the performance of our company due to, among other things, availability of sellers of our shares. If a market should develop, the price may be highly volatile. Because there may be a low price for our shares of common stock, many brokerage firms or clearing firms may not be willing to effect transactions in the securities or accept our shares for deposit in an account. Even if an investor finds a broker willing to effect a transaction in the shares of our common stock, the combination of brokerage commissions, transfer fees, taxes, if any, and any other selling costs may exceed the selling price. Further, many lending institutions will not permit the use of low priced shares of common stock as collateral for any loans.

***Our stock price may be volatile, and you could lose all or part of your investment.***

The trading price of our common stock following this offering may fluctuate substantially and may be higher or lower than the initial public offering price. This may be especially true for companies with a small public float. The trading price of our common stock following this offering will depend on several factors, including those described in this "*Risk Factors*" section, many of which are beyond our control and may not be related to our operating performance. These fluctuations could cause you to lose all or part of your investment in our common stock since you might be unable to sell your shares at or above the price you paid in this offering. Factors that could cause fluctuations in the trading price of our common stock include:

- changes to our industry, including demand and regulations;
- we may not be able to compete successfully against current and future competitors;
- competitive pricing pressures;
- our ability to obtain working capital financing as required;
- additions or departures of key personnel;
- sales of our common stock;
- our ability to execute our business plan;
- operating results that fall below expectations;
- loss of any strategic relationship, sponsor or licensor;
- any major change in our management;
- changes in accounting standards, procedures, guidelines, interpretations or principals; and
- economic, geo-political and other external factors.

In addition, the stock market in general, and the market for technology companies in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of those companies. Broad market and industry factors, as well as general economic, political and market conditions such as recessions or interest rate changes, may seriously affect the market price of our common stock, regardless of our actual operating performance. These fluctuations may be even more pronounced in the trading market for our stock shortly following this offering. If the market price of our common stock after this offering does not exceed the initial public offering price, you may not realize any return on your investment in us and may lose some or all of your investment.

In addition, in the past, following periods of volatility in the overall market and the market prices of particular companies' securities, securities class action litigations have often been instituted against these companies. Litigation of this type, if instituted against us, could result in substantial costs and a diversion of our management's attention and resources. Any adverse determination in any such litigation or any amounts paid to settle any such actual or threatened litigation could require that we make significant payments.

***If securities industry analysts do not publish research reports on us, or publish unfavorable reports on us, then the market price and market trading volume of our common stock could be negatively affected.***

Any trading market for our common stock will be influenced in part by any research reports that securities industry analysts publish about us. We may not obtain any future research coverage by securities industry analysts. In the event we are covered by research analysts, and one or more of such analysts downgrade our securities, or otherwise reports on us unfavorably, or discontinues coverage of us, the market price and market trading volume of our common stock could be negatively affected.

***You will experience dilution as a result of future equity offerings.***

We may in the future offer additional shares of our common stock or other securities convertible into or exchangeable for our common stock. Although no assurances can be given that we will consummate a future financing, in the event we do, or in the event we sell shares of common stock or other securities convertible into shares of our common stock in the future, additional and potentially substantial dilution will occur. In addition, investors purchasing shares or other securities in the future could have rights superior to investors in this offering.

***We have not paid cash dividends in the past and do not expect to pay dividends in the future. Any return on investment will likely be limited to the value of our common stock.***

We have never paid cash dividends on our common stock and do not anticipate doing so in the foreseeable future. The payment of dividends on our common stock will depend on earnings, financial condition and other business and economic factors affecting us at such time as our board of directors may consider relevant. If we do not pay dividends, our common stock may be less valuable because a return on your investment will only occur if our stock price appreciates.

***Since we do not anticipate paying any cash dividends on our capital stock in the foreseeable future, stock price appreciation, if any, will be your sole source of gain.***

We currently intend to retain all of our future earnings, if any, to finance the growth and development of our business. In addition, the terms of any future debt agreements may preclude us from paying dividends. As a result, appreciation, if any, in the market price of our common stock will be your sole source of gain for the foreseeable future.

***Future issuances of debt securities, which would rank senior to our common stock upon our bankruptcy or liquidation, and future issuances of preferred stock, which would rank senior to our common stock for the purposes of dividends and liquidating distributions, may adversely affect the level of return you may be able to achieve from an investment in our common stock***.

In the future, we may attempt to increase our capital resources by offering debt securities. In the event of a bankruptcy or liquidation, holders of our debt securities, and lenders with respect to other borrowings we may make, would receive distributions of our available assets prior to any distributions being made to holders of our common stock. Moreover, if we issue preferred stock in the future, the holders of such preferred stock could be entitled to preferences over holders of common stock in respect of the payment of dividends and the payment of liquidating distributions. Because our decision to issue debt or preferred securities in any future offering, or borrow money from lenders, will depend in part on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of any such future offerings or borrowings. Holders of our common stock must bear the risk that any such future offerings we conduct or borrowings we make may adversely affect the level of return they may be able to achieve from an investment in our common stock.

***We may need to implement additional finance and accounting systems, procedures and controls as we grow our business and organization and to satisfy new reporting requirements***.

Upon becoming subject to reporting requirements of the Securities Exchange Act of 1934, as amended (the "*Exchange Act*"), we will be required to comply with a variety of extensive reporting, accounting, and other rules and regulations. Compliance with each of these requirements is expensive, time consuming and intricate. Further requirements may increase our costs and require additional management time and resources. We may need to implement additional finance and accounting systems, procedures and controls to satisfy our reporting requirements. If our internal controls over financial reporting are determined to be ineffective, such failure could cause investors to lose confidence in our reported financial information, negatively affect the market price of our common stock, subject us to regulatory investigations and penalties, cause us to have to restate our financial statements, and adversely impact our business and financial condition.

***We are an emerging growth company and may take advantage of certain reduced reporting requirements.***

We are an "emerging growth company," as defined in the JOBS Act, and we may take advantage of certain exemptions from various requirements applicable to other public companies that are not emerging growth companies including, most significantly, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002 ("*SOX*") for so long as we are an emerging growth company. As a result, if we elect not to comply with such auditor attestation requirements, our investors may not have access to certain information they may deem important.

The JOBS Act also provides that an emerging growth company does not need to comply with any new or revised financial accounting standards until such date that a private company is otherwise required to comply with such new or revised accounting standards. However, we have elected to "opt out" of this provision and, as a result, we will comply with new or revised accounting standards as required when they are adopted for public companies. This decision to opt out of the extended transition period under the JOBS Act is irrevocable.

***We will incur increased costs as a result of being a public company, particularly after we cease to qualify as an "emerging growth company."***

Upon completion of this offering, we will become a public company and expect to incur significant legal, accounting and other expenses that we did not incur as a private company. SOX, as well as rules subsequently implemented by the SEC and Nasdaq, impose various requirements on the corporate governance practices of public companies. We expect these rules and regulations to increase our legal and financial compliance costs and to make some corporate activities more time-consuming and costly. We expect to incur significant expenses and devote substantial management effort toward ensuring compliance with the requirements of Section 404 of SOX and the other rules and regulations of the SEC. For example, as a result of becoming a public company, we will need to increase the number of independent directors and adopt policies regarding internal controls and disclosure controls and procedures. We also expect that operating as a public company will make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. In addition, we will incur additional costs associated with our public company reporting requirements. It may also be more difficult for us to find qualified persons to serve on our board of directors or as executive officers. We are currently evaluating and monitoring developments with respect to these rules and regulations, and we cannot predict or estimate with any degree of certainty the amount of additional costs we may incur or the timing of such costs.

In the past, stockholders of a public company often brought securities class action suits against the company following periods of instability in the market price of that company's securities. If we were involved in a class action suit, it could divert a significant amount of our management's attention and other resources from our business and operations, which could harm our results of operations and require us to incur significant expenses to defend the suit. Any such class action suit, whether or not successful, could harm our reputation and restrict our ability to raise capital in the future. In addition, if a claim is successfully made against us, we may be required to pay significant damages, which could have a material adverse effect on our financial condition and results of operations.

***Because of our status as an emerging growth company, you will not be able to depend on any attestation from our independent registered public accounting firm as to our internal control over financial reporting for the foreseeable future***.

Our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting pursuant to Section 404 of SOX until the later of the year following our first annual report required to be filed with the SEC or the date we are no longer an "emerging growth company" as defined in the JOBS Act. Accordingly, you will not be able to depend on any attestation concerning our internal control over financial reporting from our independent registered public accounting firm for the foreseeable future. Subsequent to the time frame above, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting pursuant to SOX until such time that the Company becomes an "accelerated filer," as defined by the SEC.

***If our shares become subject to the penny stock rules, it would become more difficult to trade our shares***.

The SEC has adopted rules that regulate broker-dealer practices in connection with transactions in penny stocks. Penny stocks are generally equity securities with a price of less than $5.00, other than securities registered on certain national securities exchanges or authorized for quotation on certain automated quotation systems, provided that current price and volume information with respect to transactions in such securities is provided by the exchange or system. If we do not obtain or retain a listing on the Nasdaq Capital Market or if the price of our common stock falls below $5.00, our common stock will be deemed a penny stock. The penny stock rules require a broker-dealer, before a transaction in a penny stock not otherwise exempt from those rules, to deliver a standardized risk disclosure document containing specified information. In addition, the penny stock rules require that before effecting any transaction in a penny stock not otherwise exempt from those rules, a broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive (i) the purchaser's written acknowledgment of the receipt of a risk disclosure statement; (ii) a written agreement to transactions involving penny stocks; and (iii) a signed and dated copy of a written suitability statement. These disclosure requirements would likely have the effect of reducing the trading activity in the secondary market for our common stock, and therefore stockholders may have difficulty selling their shares.

***FINRA sales practice requirements may limit a stockholder's ability to buy and sell our stock***.

In addition to the "penny stock" rules described above, the Financial Industry Regulatory Authority, Inc. ("*FINRA*"), has adopted rules that require that in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative, low-priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer's financial status, tax status, investment objectives and other information. The FINRA requirements may make it more difficult for broker-dealers to recommend that their customers buy our common stock, which may have the effect of reducing the level of trading activity in our common stock. As a result, fewer broker-dealers may be willing to make a market in our common stock, reducing a stockholder's ability to resell shares, as well as overall liquidity, of our common stock.

***We will incur increased costs as a result of operating as a listed public company and our management will be required to devote substantial time to new compliance initiatives and corporate governance practices***.

If at some point in the future we are no longer an "emerging growth company," we will incur significant legal, accounting and other expenses that we have not incurred in the past. SOX, the JOBS Act, the listing requirements of the Nasdaq Capital Market and other applicable securities rules and regulations impose various requirements on public companies beyond what management has experienced in operating a privately held company. Our management and other personnel will need to devote a substantial amount of time to comply with these requirements. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect that these rules and regulations may make it more difficult and more expensive for us to obtain directors' and officers' liability insurance, which could make it more difficult for us to attract and retain qualified members of our board of directors. We cannot predict or estimate the amount of additional costs we will incur as a listed public company, or the timing of such costs, but such costs will be significant.

We are evaluating these rules and regulations, and cannot predict or estimate the amount of additional costs we may incur or the timing of such costs. These rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices.

***We may be considered a smaller reporting company and will be exempt from certain disclosure requirements, which could make our common stock less attractive to potential investors***.

Rule 12b-2 of the Exchange Act, defines a "smaller reporting company" as an issuer that is not an investment company, an asset-backed issuer, or a majority-owned subsidiary of a parent that is not a smaller reporting company and that:

- had a public float of less than $75.0 million as of the last business day of its most recently completed second fiscal quarter, computed by multiplying the aggregate worldwide number of shares of its voting and non-voting common equity held by non-affiliates by the price at which the common equity was last sold, or the average of the bid and asked prices of common equity, in the principal market for the common equity; or

- in the case of an initial registration statement under the Securities Act of 1933, as amended ("*Securities Act*"), or the Exchange Act for shares of its common equity, had a public float of less than $75.0 million as of a date within 30 days of the date of the filing of the registration statement, computed by multiplying the aggregate worldwide number of such shares held by non-affiliates before the registration plus, in the case of a Securities Act registration statement, the number of such shares included in the registration statement by the estimated public offering price of the shares; or

- in the case of an issuer whose public float was zero, had annual revenues of less than $50.0 million during the most recently completed fiscal year for which audited financial statements are available.

As a smaller reporting company, we would not be required and may not include a Compensation Discussion and Analysis section in our proxy statements; we would provide only two years of financial statements; and we would not need to provide the table of selected financial data. We also would have other "scaled" disclosure requirements that are less comprehensive than issuers that are not smaller reporting companies which could make our common stock less attractive to potential investors, and also could make it more difficult for our stockholders to sell their shares.

***Changes in tax laws or regulations that are applied adversely to us or our customers may have a material adverse effect on our business, cash flow, financial condition or results of operations.***

New income, sales, use or other tax laws, statutes, rules, regulations or ordinances could be enacted at any time, which could affect the tax treatment of our earnings and adversely affect our operations, and our business and financial performance. Further, existing tax laws, statutes, rules, regulations or ordinances could be interpreted, changed, modified or applied adversely to us. For example, on December 22, 2017, President Trump signed tax legislation into law, commonly referred to as the Tax Cuts and Jobs Act of 2017, that contains many significant changes to the U.S. tax laws. The new legislation reduced the corporate income tax rate from 34% to 21% effective January 1, 2018, causing all of our deferred income tax assets and liabilities, including NOLs, to be measured using the new rate and which value is reflected in the valuation of these assets as of December 31, 2017. As a result, the value of our deferred tax assets decreased by approximately $4.3 million and the related valuation allowance has been reduced by the same amount. Our analysis and interpretation of this legislation is ongoing. Given the full valuation allowance provided for net deferred tax assets for the periods presented herein, the change in tax law did not have a material impact on our financial statements provided herein. There may, however, be additional tax impacts identified in subsequent periods throughout 2018 in accordance with subsequent interpretive guidance issued by the SEC or the Internal Revenue Service. Further, there may be other material adverse effects resulting from the legislation that we have not yet identified. No estimated tax provision has been recorded in the financial statements included herein for tax attributes that are incomplete or subject to change.

The foregoing items could have a material adverse effect on our business, cash flow, financial condition or results of operations. In addition, it is unclear how these U.S. federal income tax changes will affect state and local taxation, which often uses federal taxable income as a starting point for computing state and local tax liabilities. The impact of this tax legislation on holders of our common stock is also uncertain and could be adverse. We urge our stockholders and investors to consult with our legal and tax advisors with respect to this legislation and the potential tax consequences of investing in or holding our common stock.

***Our management has broad discretion as to the use of certain of the net proceeds from this offering and may not use them effectively.***

We currently intend to use the net proceeds of the offering for working capital and general corporate purposes, including sales and marketing activities, game licensing, product development, and capital expenditures. Our management will have considerable discretion in the application of the net proceeds from this offering, and investors will be relying on the judgment of our management regarding the application of those proceeds. Our management may spend the proceeds in ways that do not improve our operating results or enhance the value of our common stock, and you will not have the opportunity to influence management's decisions on how to use the proceeds from this offering. The failure by our management to apply these funds effectively could harm our business. Pending their use, we may also invest the net proceeds of this offering in a manner that does not produce income or that loses value. See "*Use of Proceeds*" below for more information.

***If we fail to maintain an effective system of internal controls over financial reporting, we may be unable to accurately report our results of operations, meet our reporting obligations or prevent fraud, and investor confidence and the market price of our common stock may be materially and adversely affected.***

Prior to this offering, we were a private company with limited accounting personnel and other resources with which to address our internal controls and procedures. Although management has reviewed our current internal controls over financial reporting and concluded that our internal controls are effective, our independent registered public accounting firm has not conducted an audit of our internal control over financial reporting. In addition, after we become a public company, our reporting obligations may place a significant strain on our management, operational and financial resources and systems for the foreseeable future and we may be unable to timely complete our evaluation testing and any required remediation.

During the course of documenting and testing our internal control procedures, we may identify weaknesses and deficiencies in our internal control over financial reporting. In addition, if we fail to maintain the adequacy of our internal control over financial reporting, as these standards are modified supplemented or amended from time to time, we may not be able to conclude on an ongoing basis that we have effective internal control over financial reporting. Generally, if we fail to achieve and maintain an effective internal control environment, we could suffer material misstatements in our financial statements and fail to meet our reporting obligations, which would likely cause investors to lose confidence in our reported financial information. This could in turn limit our access to capital markets, harm our results of operations, and lead to a decline in the trading price of our common stock. Additionally, ineffective internal control over financial reporting could expose us to increased risk of fraud or misuse of corporate assets and subject us to potential delisting from the stock exchange on which we list, regulatory investigations and civil or criminal sanctions.

***We may need additional capital, and we may be unable to obtain such capital in a timely manner or on acceptable terms, or at all. Furthermore, our future capital needs may require us to sell additional equity or debt securities that may dilute our stockholders or introduce covenants that may restrict our operations or our ability to pay dividends.***

To grow our business and remain competitive, we may require additional capital from time to time for our daily operation. Our ability to obtain additional capital is subject to a variety of uncertainties, including:

- our market position and competitiveness in the esports and online amateur gaming market;
- our future profitability, overall financial condition, results of operations and cash flows; and
- economic, political and other conditions in the U.S. and internationally.

We may be unable to obtain additional capital in a timely manner or on acceptable terms or at all. In addition, our future capital needs and other business reasons could require us to sell additional equity or debt securities or obtain a credit facility. The sale of additional equity or equity-linked securities could dilute our stockholders. The incurrence of indebtedness would result in increased debt service obligations and could result in operating and financing covenants that would restrict our operations or our ability to pay dividends to our stockholders.

***Our existing stockholders have substantial influence over our company and their interests may not be aligned with the interests of our other stockholders, which may discourage, delay or prevent a change in control of our company, which could deprive our stockholders of an opportunity to receive a premium for their securities.***

As of the date of this prospectus, certain stockholders control approximately 34.1% of the voting power in us, including management. As a result, these stockholders have substantial influence over our business, including decisions regarding mergers, consolidations and the sale of all or substantially all of our assets, election of directors and other significant corporate actions. This concentration of ownership may discourage, delay or prevent a change in control of our company, which could deprive our stockholders of an opportunity to receive a premium for their shares as part of any contemplated sale of our company and may reduce the price of our common stock.

***Because our offering price is substantially higher than our net tangible book value per share, you will experience immediate and substantial dilution.***

If you purchase common stock in this offering, you will pay more for your common stock than the amount paid by our existing stockholders for their common stock on a per share basis. As a result, you will experience immediate and substantial dilution of $ per share, representing the difference between the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and our net tangible book value per share as of June 30, 2018, after giving effect to the net proceeds to us from this offering. In addition, you may experience further dilution to the extent that our shares are issued upon the exercise of any share options. See "*Dilution*" for a more complete description of how the value of your investment in our common stock will be diluted upon completion of this offering.

***Because we do not expect to pay dividends in the foreseeable future after this offering, you must rely on price appreciation of our common stock for return on your investment.***

We currently intend to retain most, if not all, of our available funds and any future earnings after this offering to fund the development and growth of our business. As a result, we do not expect to pay any cash dividends in the foreseeable future. Therefore, you should not rely on an investment in our common stock as a source for any future dividend income.

Our board of directors has complete discretion as to whether to distribute dividends, subject to certain requirements of Delaware General Corporation Law. Even if our board of directors decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on, among other things, our future results of operations and cash flow, our capital requirements and surplus, the amount of distributions, if any, received by us from our subsidiaries, our financial condition, contractual restrictions and other factors deemed relevant by our board of directors. Accordingly, the return on your investment in our common stock will likely depend entirely upon any future price appreciation of our common stock. There is no guarantee that our common stock will appreciate in value after this offering or even maintain the price at which you purchased the common stock. You may not realize a return on your investment in our common stock and you may even lose your entire investment in our common stock.

***Substantial future sales or perceived potential sales of our common stock in the public market could cause the price of our common stock to decline.***

Sales of our common stock in the public market after this offering, or the perception that these sales could occur, could cause the market price of our common stock to decline. Immediately after the completion of this offering, we will have shares of common stock outstanding, assuming the underwriters do not exercise their option to purchase additional shares of common stock from us. All common stock sold in this offering will be freely transferable without restriction or additional registration under the Securities Act. The remaining shares outstanding after this offering will be available for sale, upon the expiration of the -day lock-up period beginning from the date of this prospectus, subject to volume and other restrictions as applicable under Rules 144 and 701 under the Securities Act. Any or all of these shares may be released prior to the expiration of the lock-up period at the discretion of Northland Securities, Inc. and Lake Street Capital Markets LLC. To the extent shares are released before the expiration of the lock-up period and sold into the market, the market price of our common stock could decline.

***We have granted, and may continue to grant, share incentive awards, which may result in increased share-based compensation expenses.***

We adopted our Amended and Restated 2014 Stock Option and Incentive Plan (the "*2014 Plan*") in October 2014, for purposes of granting share-based compensation awards to employees, directors and consultants to incentivize their performance and align their interests with ours. We account for compensation costs for all share options issued under the 2014 Plan using a fair-value based method and recognize expenses in our statements of comprehensive loss in accordance with GAAP. Under the 2014 Plan, we are authorized to grant options to purchase shares of common stock of our Company and restricted share units to receive shares of common stock. Following the approval of an amendment to the 2014 Plan to increase the number shares which may be issued pursuant to all awards under the 2014 Plan by our Board of Directors and holders of a majority of our outstanding voting securities, the number of shares of common stock available for issuance under the 2014 Plan is 5.5 million. As of the date of this prospectus, options to purchase 3,975,487 shares of common stock have been granted and are outstanding, 70,000 shares have been issued pursuant to the exercise of options, and 25,000 restricted share units have been granted, and none of these restricted share units have vested. For the year ended December 31, 2017, we recorded share-based compensation of $1.95 million related to 2014 Plan.

We believe the granting of share incentive awards is important to our ability to attract and retain employees, and we will continue to grant share incentive awards to employees in the future. As a result, our expenses associated with share-based compensation may increase, which may have an adverse effect on our results of operations.

***State securities laws may limit secondary trading of our common stock if our common stock is not listed on a national securities exchange, which may restrict the states in which and conditions under which you can sell shares purchased in this offering.***

Secondary trading of the shares sold in this offering will not be possible in any state until the shares are qualified for sale under the applicable securities laws of the state, or there is confirmation that an exemption, such as resulting from the potential listing of our common stock on the Nasdaq Capital Market or another national securities exchange or listing in certain recognized securities manuals, is available for secondary trading in the state. If we fail to list our common stock on a national securities exchange and otherwise fail to register, qualify, obtain or verify an exemption for the secondary trading of our common stock in any particular state, any shares purchased in this offering may not be offered, sold to, or be purchased by a resident of such state. In the event that a significant number of states refuse to permit secondary trading in our common stock, the liquidity for our common stock could be significantly impacted, thus causing you to suffer a loss on your investment. While we intend to seek to facilitate secondary trading in our common stock in the event our common stock is not listed on a national securities exchange, there can be no assurances that we will be successful in qualifying or finding an exemption in each state or other jurisdictions.

## SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that involve substantial risks and uncertainties. The forward-looking statements are contained principally in the sections of this prospectus entitled "*Prospectus Summary*," "*Risk Factors*," "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Business*," but are also contained elsewhere in this prospectus. In some cases, you can identify forward-looking statements by the words "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "objective," "ongoing," "plan," "predict," "project," "potential," "should," "will," or "would," or the negative of these terms, or other comparable terminology intended to identify statements about the future. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from the information expressed or implied by these forward-looking statements. Although we believe that we have a reasonable basis for each forward-looking statement contained in this prospectus, we caution you that these statements are based on a combination of facts and factors currently known by us and our expectations of the future, about which we cannot be certain. Forward-looking statements include statements about:

- overall strength and stability of general economic conditions and of the electronic video game sports ("*esports*") industry in the United States and globally;
- changes in consumer demand for, and acceptance of, our services and the games that we license for our tournaments and other experiences, as well as online gaming in general;
- changes in the competitive environment, including adoption of technologies, services and products that compete with our own;
- our ability to generate consistent revenue;
- our ability to effectively execute our business plan;
- changes in the price of streaming services, licensing fees, and network infrastructure, hosting and maintenance;
- changes in laws or regulations governing our business and operations;
- our ability to maintain adequate liquidity and financing sources and an appropriate level of debt on terms favorable to us;
- our ability to effectively market our services;
- costs and risks associated with litigation;
- our ability to obtain and protect our existing intellectual property protections, including patents, trademarks and copyrights;
- our ability to obtain and enter into new licensing agreements with game publishers and owners;
- changes in accounting principles, or their application or interpretation, and our ability to make estimates and the assumptions underlying the estimates, which could have an effect on earnings;
- interest rates and the credit markets;
- our ability to list our shares on the Nasdaq Capital Market or any other exchange and maintain such listing; and
- other risks described from time to time in periodic and current reports that we file with the SEC.

This list of factors that may affect future performance and the accuracy of forward-looking statements is illustrative, but not exhaustive. New risk factors and uncertainties not described here or elsewhere in this prospectus, including in the sections entitled "*Risk Factors*," may emerge from time to time. Moreover, because we operate in a competitive and rapidly changing environment, it is not possible for our management to predict all risk factors and uncertainties, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. The forward-looking statements are also subject to the risks and uncertainties specific to our Company, including but not limited to the fact that we have no operating history as a public company. In light of these risks, uncertainties and assumptions, the future events and trends discussed in this prospectus may not occur, and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, neither we nor any other person assume responsibility for the accuracy and completeness of the forward-looking statements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

You should read this prospectus, the documents referenced herein and those documents filed as exhibits to the registration statement, of which this prospectus is a part, with the understanding that our actual future results, levels of activity, performance and achievements may be materially different from what we expect.

## INDUSTRY AND MARKET DATA

In addition to the industry, market and competitive position data referenced in this prospectus from our own internal estimates and research, some market data and other statistical information included in this prospectus are based in part upon information obtained from third-party industry publications, research, surveys and studies, none of which we commissioned. Third-party industry publications, research, surveys and studies generally indicate that their information has been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information.

We are responsible for all of the disclosure in this prospectus and while we believe that each of the publications, research, surveys and studies included in this prospectus are prepared by reputable sources, neither we, nor the underwriters have independently verified market and industry data from third-party sources. In addition, while we believe our internal company research and estimates are reliable, such research and estimates have not been verified by independent sources. Assumptions and estimates of our and our industry's future performance are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in "*Risk Factors*." These and other factors could cause our future performance to differ materially from our assumptions and estimates. See "*Special Note Regarding Forward-Looking Statements*."

## USE OF PROCEEDS

We estimate that the net proceeds to us from the sale of shares of our common stock in this offering will be approximately $ million (or approximately $ million if the underwriters exercise their option to purchase additional shares of common stock from us in full), based on an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

Each $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) the net proceeds to us from this offering by approximately $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We may also increase or decrease the number of shares we are offering. Each increase (decrease) of 1,000,000 shares in the number of shares offered by us would increase (decrease) the net proceeds to us from this offering by approximately $ million, assuming the assumed initial public offering price stays the same, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

The principal purposes of this offering are to obtain additional capital to support our operations, to create a public market for our common stock and to facilitate our future access to the public equity markets. We currently intend to use the net proceeds we receive from this offering for working capital and general corporate purposes, includin sales and marketing activities, product development and capital expenditures . We may also use a portion of the net proceeds for the acquisition of, or investment in, technologies, solutions or businesses. However, we have no present commitments or agreements to enter into any acquisitions or investments. Pending these uses, we may invest the net proceeds from this offering in short-term, investment-grade interest-bearing securities such as money market accounts, certificates of deposit, commercial paper and guaranteed obligations of the U.S. government.

The amounts and timing of our actual expenditure, including expenditure related to sales and marketing and product development will depend on numerous factors, including the status of our product development efforts, our sales and marketing activities, expansion internationally, the amount of cash generated or used by our operations, competitive pressures and other factors described under "*Risk Factors*" in this prospectus. We therefore cannot estimate the amount of net proceeds to be used for the purposes described above. As a result, we may find it necessary or advisable to use the net proceeds for other purposes. Our management will have broad discretion in the application of the net proceeds, and investors will be relying on our judgment regarding the application of the net proceeds from this offering. Investors will not have an opportunity to evaluate the economic, financial or other information on which we base our decisions regarding the use of these proceeds.

## DIVIDEND POLICY

We have never declared or paid any dividends on our capital stock. We currently intend to retain all available funds and any future earnings for the operation and expansion of our business and, therefore, we do not anticipate declaring or paying cash dividends in the foreseeable future. The payment of dividends will be at the discretion of our Board of Directors and will depend on our results of operations, capital requirements, financial condition, prospects, contractual arrangements, any limitations on payment of dividends present in our current and future debt agreements, and other factors that our board of directors may deem relevant.

## CAPITALIZATION

The following table sets forth our cash and capitalization as of June 30, 2018:

- on an actual basis;
- on a pro forma basis, giving effect to the automatic conversion of all outstanding principal and accrued but unpaid interest on our outstanding 9.00% secured convertible promissory notes, totaling $5.1 million at June 30, 2018, into an aggregate of shares of our common stock immediately prior to the closing of this offering (assuming an initial public offering price of $ , the midpoint of the price range set forth on the cover page of this prospectus); and
- on a pro forma as adjusted basis to reflect the sale by us of shares of common stock in this offering at an assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

The pro forma and pro forma as adjusted information below is illustrative only, and our capitalization following the closing of this offering will be adjusted based on the actual initial public offering price and other terms of this offering determined at pricing as well as our actual expenses. You should read this table together with "*Selected Financial Data*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and our financial statements and the related notes thereto appearing elsewhere in this prospectus.

| | As of June 30, 2018 | | |
|---|---|---|---|
| | Actual | Pro Forma | Pro Forma As Adjusted[1] |
| | | (unaudited) | |
| Cash | $ 785,269 | $ | $ |
| Convertible notes payable | 3,057,851 | | |
| Common stock, par value $0.001 per share, 50,000,000 shares authorized, 13,810,487 shares issued and outstanding, actual; shares issued and outstanding, pro forma; shares issued and outstanding, pro forma as adjusted | 13,811 | | |
| Additional paid-in capital | 42,030,167 | | |
| Accumulated deficit | (42,640,103) | | |
| Total stockholders' deficit | (596,125) | | |
| Total capitalization | $ 2,461,726 | $ | $ |

(1) Each $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) each of cash, total stockholders' (deficit) equity and total capitalization by approximately $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase (decrease) of 1,000,000 shares in the number of shares offered by us would increase (decrease) each of cash, total stockholders' (deficit) equity and total capitalization by approximately $ million, assuming that the assumed initial public offering price remains the same, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. The pro forma as adjusted information discussed above is illustrative only and will adjust based on the actual initial public offering price and other terms of this offering determined at pricing.

The number of shares of common stock that will be outstanding after this offering is based on 13,810,487 shares of common stock outstanding as of June 30, 2018, and excludes as of such date:

- 4,105,898 shares of common stock issuable upon exercise of warrants to purchase our common stock, including an estimated 1,561,023 warrants that are callable, at the election of the Company, at any time following the completion of this offering;
- 3,975,487 shares of common stock issuable upon exercise of options held and 454,513 shares of common stock reserved for issuance pursuant to our 2014 Plan; and
- shares of common stock issuable upon the exercise of the warrant to be issued to the underwriters, which equates to % of the number of shares of our common stock to be issued and sold in this offering.

## DILUTION

If you invest in our common stock in this offering, your interest will be diluted to the extent of the difference between the assumed initial public offering price per share of our common stock and the pro forma as adjusted net tangible book value per share of our common stock immediately after the completion of this offering. Net tangible book value per share of our common stock is determined at any date by subtracting our total liabilities from the amount of our total tangible assets (total assets, less intangible assets) and dividing the difference by the number of shares of our common stock deemed to be outstanding at that date.

Our historical net tangible book value (deficit) as of June 30, 2018 was approximately $(936,000), or $(0.07) per share of common stock. Our historical net tangible book value per share represents our total tangible assets less our total liabilities, divided by the number of shares of common stock outstanding as of June 30, 2018.

Our pro forma net tangible book value as of June 30, 2018 was $ million, or $ per share of common stock. Pro forma net tangible book value per share represents our total tangible assets less our total liabilities, divided by the number of shares of common stock outstanding as of June 30, 2018, after giving effect to the automatic conversion of all principal and accrued but unpaid interest on our outstanding 9.00% convertible promissory notes, totaling $5.1 million at June 30, 2018, into an aggregate of shares of our common stock immediately prior to the closing of this offering.

After further giving effect to (i) the pro forma adjustment described above, and (ii) our receipt of approximately $ million of estimated net proceeds, after deducting underwriting discounts and commissions and estimated offering expenses payable by us, from our sale of common stock in this offering at an assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, our pro forma as adjusted net tangible book value as of June 30, 2018, would have been approximately $ million, or $ per share. This amount represents an immediate increase in net tangible book value of $ per share of our common stock to existing stockholders and an immediate dilution in net tangible book value of $ per share of our common stock to new investors purchasing shares of common stock in this offering.

The following table illustrates this dilution on a per share basis to new investors:

| | | |
|---|---|---|
| Assumed initial public offering price per share | | $ |
| Historical net tangible book value (deficit) per share as of June 30, 2018 | $ (0.07) | |
| Pro forma increase in net tangible book value per share attributable to the transactions described above | $ | |
| Pro forma net tangible book value per share as of June 30, 2018 | $ | |
| Increase in pro forma net tangible book value per share attributed to new investors purchasing shares from us in this offering | $ | |
| Pro forma as adjusted net tangible book value per share after giving effect to this offering | | $ |
| Dilution in pro forma as adjusted net tangible book value per share to new investors in this offering | | $ |

The dilution information discussed above is illustrative only and will change based on the actual initial public offering price and other terms of this offering to be determined at pricing. Each $1.00 increase (decrease) in the assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted net tangible book value per share by approximately $ million, or by approximately $ per share, assuming the number of shares of common stock offered by us, as set forth on the cover page of this prospectus, remains the same, after deducting underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase (decrease) of 1,000,000 shares in the number of shares of common stock offered by us would increase (decrease) the pro forma as adjusted net tangible book value per share by approximately $ million, or approximately $ per share, assuming the assumed initial public offering price remains the same, after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

If the underwriters exercise their option to purchase additional shares in full in this offering, the pro forma as adjusted net tangible book value after this offering would be approximately $ million, or approximately $ per share, the increase in pro forma net tangible book value to existing stockholders would be $ per share, and the dilution per share to new investors would be $ per share, in each case based on an assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus.

The following table summarizes as of June 30, 2018 on the pro forma as adjusted basis described above, the number of shares of our common stock, the total consideration and the average price per share (i) paid to us by our existing stockholders and (ii) to be paid by investors purchasing our common stock in this offering at an assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, before deducting underwriting discounts and commissions and estimated offering expenses payable by us.

| | Average Price Per Share | | Shares Purchased | | Total Consideration | |
|---|---|---|---|---|---|---|
| | Number | Percent | Amount | Percent | | |
| Existing Stockholders | | % | $ | % | $ | |
| New Investors | | | | | | |
| Total | | % | $ | % | $ | |

The number of shares of common stock that will be outstanding after this offering is based on 13,810,487 shares of common stock outstanding as of June 30, 2018, and excludes as of such date:

- 4,105,898 shares of common stock issuable upon exercise of warrants to purchase our common stock, including an estimated 1,561,023 warrants that are callable, at the election of the Company, at any time following the completion of this offering ;
- 3,975,487 shares of common stock issuable upon exercise of options held and 454,513 shares of common stock reserved for issuance pursuant to our 2014 Plan; and
- shares of common stock issuable upon the exercise of the warrant to be issued to the underwriters, which equates to % of the number of shares of our common stock to be issued and sold in this offering.

If the underwriters exercise their option to purchase additional shares in full, the percentage of shares of common stock held by existing stockholders will decrease to approximately % of the total number of shares of our common stock outstanding after this offering, and the number of shares held by new investors will increase to , or approximately % of the total number of shares of common stock outstanding after the offering.

To the extent that options or warrants are exercised, new options or other securities are issued under our equity incentive plans, or we issue additional shares of common stock in the future, there will be further dilution to investors participating in this offering. In addition, we may choose to raise additional capital because of market conditions or strategic considerations, even if we believe that we have sufficient funds for our current or future operating plans. If we raise additional capital through the sale of equity or convertible debt securities, the issuance of these securities could result in further dilution to our stockholders.

## SELECTED FINANCIAL DATA

The following selected financial data should be read together with our financial statements and related notes thereto, as well as the information found under the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" included elsewhere in this prospectus. We derived the selected financial data as of and for the years ended December 31, 2017 and 2016 from our audited financial statements included elsewhere in this prospectus. We have derived the unaudited financial data for the six months ended June 30, 2018 and 2017 and as of June 30, 2018 from our unaudited condensed financial statements included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results to be expected in the future and our interim results are not necessarily indicative of results to be expected for the full year ending December 31, 2018, or any other period.

| | Year Ended December 31, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2017 | 2016 | 2018 | 2017 |
| | | | (unaudited) | |
| **Statements of Operations Data:** | | | | |
| Sales | $ 201,182 | $ 269,892 | $ 486,859 | $ 34,042 |
| Cost of sales | 1,487,905 | 1,460,438 | 304,872 | 744,188 |
| Gross profit (loss) | (1,286,723) | (1,190,546) | 181,987 | (710,146) |
| | | | | |
| Operating expense: | | | | |
| Sales, marketing and advertising | 1,155,506 | 1,295,016 | 668,648 | 372,638 |
| Research and development | 61,543 | 142,380 | 7,670 | 27,534 |
| General and administrative | 12,451,636 | 9,737,460 | 7,244,139 | 5,705,805 |
| Total operating expense | 13,668,685 | 11,174,856 | 7,920,457 | 6,105,977 |
| Loss from operations | (14,955,408) | (12,365,402) | (7,738,470) | (6,816,123) |
| | | | | |
| Other Income (expense), net: | | | | |
| Interest expense, net | - | - | (397,051) | (11) |
| Other | - | - | 2,076 | 400 |
| Other income (expense), net | - | - | (394,975) | 389 |
| Net loss | $(14,955,408) | $(12,365,402) | $ (8,133,445) | $ (6,815,734) |
| | | | | |
| Net loss per share: | | | | |
| Basic and diluted | $ (1.17) | $ (1.53) | $ (0.59) | $ (0.58) |
| Weighted average common shares used to compute net loss per share: | | | | |
| Basic and diluted | 12,740,023 | 8,066,901 | 13,810,487 | 11,667,164 |
| Pro forma net loss per share (unaudited): | | | | |
| Basic and diluted[1] | $ | $ | $ | $ |
| Pro forma weighted average common shares outstanding (unaudited): | | | | |
| Basic and diluted[1] | | | | |

(1) See Note 1 to each of our audited and unaudited condensed financial statements, respectively, included elsewhere in this prospectus for an explanation of the method used to calculate the historical and pro forma net loss per share, basic and diluted, and the number of shares used in the computation of the per share amounts.

| | As of December 31, | | June 30, |
|---|---|---|---|
| | 2017 | 2016 | 2018 |
| **Balance Sheet Data:** | | | (unaudited) |
| Cash | $ 1,709,473 | $ 2,870,546 | $ 785,269 |
| Accounts receivable | 113,702 | - | 310,900 |
| Prepaid expenses and other current assets | 780,111 | 41,224 | 468,083 |
| Property and equipment, net | 1,137,817 | 1,804,353 | 844,009 |
| Intangible and other assets, net | 340,998 | 475,001 | 340,814 |
| Accounts payable and accrued expenses | 383,814 | 449,221 | 287,349 |
| Total stockholders' equity (deficit) | 3,698,287 | 4,741,903 | (596,125) |

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

*You should read the following discussion and analysis of our financial condition and results of our operations together with our financial statements and the notes thereto appearing elsewhere in this prospectus. This discussion contains forward-looking statements reflecting our current expectations, whose actual outcomes involve risks and uncertainties. Actual results and the timing of events may differ materially from those stated in or implied by these forward-looking statements due to a number of factors, including those discussed in the sections entitled "Risk Factors," "Cautionary Statement Regarding Forward-Looking Statements" and elsewhere in this prospectus.*

### Overview

We are a leading amateur esports community and content platform offering a personalized experience to the large and underserved global audience of 2.3 billion gamers, as estimated by NewZoo. Through our proprietary, cloud-based technology platform, we connect our network of gamers, venues and brand partners to enable local, social and competitive esports that can be uniquely broadcast through our platform. We offer daily and season-focused offerings for which amateur competitive gamers establish meaningful connections with each other while improving their skills.

As a first-mover in defining the amateur esports category in 2015, we believe we are one of the most recognizable brands for amateur gamers. We have multi-year strategic partnerships with leading game publishers such as Microsoft and Riot Games with titles including Minecraft and League of Legends, respectively, to drive use among our member base and further penetrate our target market. We deliver enhanced gaming experiences to our members with these titles through our platform, and we provide our venue and brand partners access to our member network and platform technology. We believe that our members and the organizations that use our platform are only beginning to leverage the power of the consumer experience, commercial benefits, and data analytics our technology enables. Primarily targeting Generation Z and Millennials, members join through accessible, free-to-play experiences allowing us to reach the expansive amateur gaming market. We convert members into subscribers through offering two tiers of competitive gameplay engagement: (i) our monthly subscription for the more casual competitive player, offering access to exclusive weekly online tournaments, member benefits and our loyalty program; and (ii) our semi-annual season pass for the more competitive player, offering access to our city leagues and advanced amateur esports offers along with membership rewards.

### Components of Results of Operations

*Revenue*

We generate revenues and related cash flows from (i) the sale of subscriptions to gamers for participation in our in-person and online multiplayer gaming experiences, (ii) brand and media partnerships and (iii) merchandise sales.

*Subscription Revenue.* To date, subscription revenues have consisted of the sale of season passes to gamers for participation in our in-person and or online multiplayer gaming experiences. For the periods presented herein, season passes for gaming experiences were primarily comprised of multi-week packages and include one-time, single experience admissions. The majority of the gaming experiences we have offered to date have occurred in movie theatres.

Commencing in the second half of 2018 and going forward, we intend to convert members into subscribers by offering our members two tiers of competitive gameplay engagement: (i) a monthly subscription for the more casual competitive player, offering access to exclusive weekly online tournaments, member benefits and our loyalty program; and (ii) a semi-annual season pass for the more competitive player, offering access to our city leagues and advanced amateur esports offers along with membership and loyalty rewards.

*Brand and Media Partnerships*. We generate brand and media partnership revenues primarily from sales of various forms of sponsorships and promotional campaigns on our online platforms and from sponsorship at our in-person esports experiences. We also generate brand and media partnership revenues from the development of content tailored specifically for our partners' distribution channels. We believe our brand and media partnerships extend the utilization of our platform by leveraging broadcast, social and customer loyalty programs which, in turn, extends our audience reach and drives more gamers and viewers to our amateur esports gaming content and technology platform. We actively pursue the sale of sponsorships through our brand and media partnerships, including arrangements that may include: exclusive or non-exclusive title sponsorships, marketing benefits, official product status exclusivity, product visibly and additional infrastructure placement, social media rights (including rights to create and post social content and clips), rights to on-screen activations and promotions, display material rights, media rights, hospitality and tickets and merchandising rights.

We expect our brand and media partnerships revenues to increase in the foreseeable future as we introduce new brand and media partnership solutions and attract more sponsorship partners, particularly as we license additional game titles, grow our subscriber base, and generate a large volume of amateur gaming content.

*Cost of Sales*

Cost of sales includes direct costs incurred for the production of our in-theatre and online gaming experiences, including theatre rental, licenses and contract services.

*Theatre rental*. Theatre rental costs consists of net revenue share payments to our contracted theatre groups, including Cinemark, National Amusements, Studio Movie Grill and others, for hosting our in-theatre experiences.

*Licenses Fees.* License agreements with game developers generally include the grant to us of a license, during the applicable term, to (i) reproduce, publicly display and publicly perform the applicable game and approved game content to authorized users of the game as part of our leagues, and (ii) display approved advertising content in connection with game developer-approved advertising, marketing and promotion of our leagues. License agreements may also include a license to create derivative works using game content and/or game publisher marks in connection with the creation of merchandise. In consideration for the licenses granted, we are typically obligated to pay a royalty to the game-publisher.

License fees for the 18-month period ended December 31, 2017 also include amortized license fee expense related to a June 2016 gaming license agreement whereby we issued restricted stock units to a third-party upon the achievement of certain game related service conditions. As we continue to become a more widely recognized brand in the esports space, we expect we will be in a position to secure more favorable terms in future license agreements with game publishers.

*Contract Services.* Contract services includes agency and contract labor costs incurred in connection with the execution of our in-person experiences held in theatres, including onsite staff to manage logistics and technical support, assist participants and ensure and promote the quality of the brand and overall gaming experience.

*Materials / Giveaways and Prizing*. Materials, giveaways and prizing costs include the costs of apparel and other paraphernalia, as well as the cost of scholarships and other prizes and awards provided in connection with our amateur esports league seasons.

*Selling, Marketing and Advertising.*

Selling, marketing and advertising expenses include the cost of creating and implementing marketing strategies, conducting market research, building relationships with our target audience, and increasing the overall exposure of our amateur esports brand to gamers. In-theatre gaming experience and Super League brand related advertising costs include the cost of producing advertisements, social media, print media, marketing, promotions, and merchandising. The Company expenses advertising costs as incurred.

*Research and Development*

Research and development costs represent costs incurred to develop and test our technology platform and include outside consultants and contractors.

*General and Administrative*

General and administrative expenses consist primarily of personnel-related costs, including salaries and benefits, non-cash stock compensation expenses, office and facilities costs, legal, accounting and other professional fees, public relations costs and other corporate and administrative costs.

**Results of Operations**

***Comparison of the Six Months ended June 30, 2018 and 2017***

The following table sets forth a summary of our statements of operations for the six months ended June 30, 2018 and 2017:

| | For the Six Months Ended June 30, | |
|---|---|---|
| | 2018 | 2017 |
| | (Unaudited) | |
| **SALES** | $ 486,859 | $ 34,042 |
| **COST OF SALES** | 304,872 | 744,188 |
| **GROSS PROFIT (LOSS)** | 181,987 | (710,146) |
| | | |
| **OPERATING EXPENSES** | | |
| Selling, marketing and advertising | 668,648 | 372,638 |
| Research and development | 7,670 | 27,534 |
| General and administrative | 7,244,139 | 5,705,805 |
| Total operating expenses | 7,920,457 | 6,105,977 |
| Net operating loss | (7,738,470) | (6,816,123) |
| Total other income (expense) | (394,975) | 389 |
| **NET LOSS** | $ (8,133,445) | $ (6,815,734) |

***Revenue***

Revenue for the six months ended June 30, 2018 increased $452,818, or over 300% when compared to the same period in 2017. Revenues for the periods presented were comprised of the following:

| | Six Months Ended June 30, | | | |
|---|---|---|---|---|
| | 2018 | 2017 | $ Change | % Change |
| | (Unaudited) | | | |
| Subscription | $ 49,459 | $ 21,775 | $ 27,684 | 127% |
| Brand and Media Partnerships | 437,400 | 12,267 | 425,133 | 3,466% |
| | $ 486,859 | $ 34,042 | $ 452,817 | 1,330% |

*Subscriptions*. Subscription revenue for the six months ended June 30, 2018 increased $27,684, or 127%, compared to the same period in 2017. The increase was primarily due to an increase in the number of unique experiences held during the six months ended June 30, 2018, compared to the same period in 2017. Revenue-generating experiences held during the six months ended June 30, 2018 totaled 143, as compared to 108 during the same period in 2017, primarily as a result of the expansion of the number of cities participating in our season pass from 12 to 16 cities, as well as completing a full City Champs, our semi-annual national tournament series, for both Minecraft and League of Legends during the six months ended June 30, 2018, compared to only a full Minecraft City Champs season along with League of Legends pilot experiences in the prior year.

*Brand and Media Partnerships*. Brand and media partnerships revenue for the six months ended June 30, 2018 increased $425,134, or over 300%, compared to the same period in 2017. The increase was due to the growing visibility of our brand and platform. Brand and media partnerships revenue for the six months ended June 30, 2018 included amounts from Logitech, Inc. ("*Logitech*"), Red Bull North America, Inc. ("*Red Bull*"), Tribeca Film Festival and Samsung, as compared to brand and media partnerships revenue for the six months ended June 30, 2017 solely from our partnership with Viacom Media Networks' Nickelodeon ("*Nickelodeon*").

***Cost of Sales***

| | Six Months Ended June 30, | | | |
|---|---|---|---|---|
| | 2018 | 2017 | $ Change | % Change |
| | (Unaudited) | | | |
| Cost of sales | $ 304,872 | $ 744,188 | $ (439,316) | (59%) |

Cost of sales for the six months ended June 30, 2018 decreased $439,316, or 59%, compared to the same period in 2017. The change in cost of sales was due to the following:

*License Fees.* License fees for the six months ended June 30, 2018 decreased $543,823, or 99%, compared to the same period in 2017. In June 2016, we entered into a gaming license agreement whereby we issued 550,000 restricted stock units ("*License RSUs*") upon the achievement of certain game related service conditions. License fee expense included in cost of sales for the six months ended June 30, 2017 related to License RSUs, which was recognized over the contractual license term of 18-months beginning June 2016 and ending December 31, 2017, totaled $550,000.

*Contract Services.* Contract services costs for the six months ended June 30, 2018 increased $71,070, or 89%, compared to the same period in 2017, primarily due to an increase in the number of experiences held in the six months ended June 30, 2018, compared to the six months ended June 30, 2017. The change also reflects higher contract services costs incurred for the League of Legends City Champs season due to an increase in staffing required to support the League of Legends in-person experiences.

*Materials / Giveaways and Prizing*. Materials / Giveaways and Prizing costs for the six months ended June 30, 2018 increased $93,177, or 247%, compared to the same period in 2017, due to completion of a full league season for Minecraft and a full league season for League of Legends during the six months ended June 30, 2018, compared to the completion of only one full season for Minecraft during the same period in 2017, along with an increase in city league teams from 12 teams to 16 teams, respectively. There was also an expansion of our League of Legends season with an All-Star experience, during which the top League of Legends players from our city league teams compete against one another, due to the participation of brand partners in the 2018 period.

***Operating Expenses***

*Selling, Marketing and Advertising*

| | Six Months Ended June 30, | | | |
|---|---|---|---|---|
| | 2018 | 2017 | $ Change | % Change |
| | (Unaudited) | | | |
| Selling, Marketing and Advertising | $ 668,648 | $ 372,638 | $ 296,010 | 79% |

Selling, marketing and advertising expenses for the six months ended June 30, 2018 increased $296,010, or 79%, compared to the same period in 2017, primarily due to the amortization of in-kind advertising costs which were initially capitalized pursuant to a June 2017 third-party investment agreement, which included in-kind advertising for use in future periods, valued at $1.0 million, as a component of the consideration paid to us in exchange for equity in the Company. The prepaid advertising is being amortized over 18 months, ending in December 2018. In addition, selling, marketing and advertising costs for the six months ended June 30, 2018 included $86,341 of costs incurred in connection with the development of a pilot program and related facilities for use in the launch of SuperLeagueTV in April 2018.

*Research and Development*

| | Six Months Ended June 30, | | | |
|---|---|---|---|---|
| | 2018 | 2017 | $ Change | % Change |
| | (Unaudited) | | | |
| Research and development | $ 7,670 | $ 27,534 | $ (19,864) | (72%) |

Research and development expense for the six months ended June 30, 2018 decreased $19,864 or 72%, compared to the same period in 2017, primarily due to a reduction in game testing and related technology development activities. Research and development related game testing expenses vary period to period based on the timing of the acquisition and installation of new game properties and modifications to the functionalities and features of existing game properties on the platform.

*General and Administrative*

General and Administrative expenses for the interim periods presented were comprised of the following:

| | Six Months Ended June 30, | | | |
|---|---|---|---|---|
| | 2018 | 2017 | $ Change | % Change |
| | (Unaudited) | | | |
| Personnel costs | $ 3,552,982 | $ 2,335,094 | $ 1,217,888 | 52% |
| Office and facilities | 245,034 | 233,999 | 11,035 | 5% |
| Professional fees | 361,107 | 217,032 | 144,075 | 66% |
| Stock-based compensation | 1,687,575 | 1,671,688 | 15,887 | 1% |
| Depreciation and amortization | 537,598 | 617,616 | (80,018) | (13%) |
| Other | 859,843 | 630,376 | 229,467 | 36% |
| Total general and administrative expense | $ 7,244,139 | $ 5,705,805 | $ 1,538,334 | 27% |

General and administrative expenses for the six months ended June 30, 2018 increased $1,538,334, or 27%, compared to the same period in 2017. A summary of the main drivers of the change in general and administrative expenses is as follows:

- Increase in personnel costs totaling $1,217,887, due to an increase in headcount since the end of the prior year period in connection with the expansion of our platform and continued establishment of our brand, including additional resources across our technology, product, operations, and commercial departments. As of June 30, 2018 and 2017, we had 41 and 31 full time equivalent employees, respectively.

- Increase in professional fees totaling $144,075, primarily due to an increase in consulting expenses related to the launch of SuperLeagueTV and the development of our subscription offerings and content series, as well as an increase in placement fees incurred in connection with technology team contract positions that were converted to full-time employee positions during the period.

- Increase in other general and administrative expenses totaling $229,467, primarily due to an increase in insurance, travel, broad-band, software and subscription costs in connection with the expansion of operations.

*Other Income (expense)*

Other income (expense), net, was primarily comprised of interest expense, as follows:

| | Six Months Ended June 30, 2018 |
|---|---|
| | (unaudited) |
| Amortization of convertible debt discount | $ 269,705 |
| Interest expense on convertible debt | 99,312 |
| Amortization of convertible debt issuance costs | 28,034 |
| | $ 397,051 |

*Interest Expense*

Interest expense for the six months ended June 30, 2018, totaled $397,051, relating to the issuance of 9.00% secured convertible promissory notes, with an aggregate principal amount of $4,963,798, during the six months ended June 30, 2018, as described below under *Liquidity and Capital Resources.*

***Comparisons of the Years Ended December 31, 2017 and 2016***

The following table sets forth a summary of our statements of operations for the years ended December 31, 2017 and 2016:

| | Year Ended December 31, | |
|---|---|---|
| | 2017 | 2016 |
| **SALES** | $ 201,182 | $ 269,892 |
| **COST OF SALES** | 1,487,905 | 1,460,438 |
| **GROSS LOSS** | (1,286,723) | (1,190,546) |
| | | |
| **OPERATING EXPENSES** | | |
| Selling, marketing and advertising | 1,155,506 | 1,295,016 |
| Research and development | 61,543 | 142,380 |
| General and administrative | 12,451,636 | 9,737,460 |
| Total operating expenses | 13,668,685 | 11,174,856 |
| | | |
| **NET LOSS** | $(14,955,408) | $(12,365,402) |

***Revenue***

| | Year Ended December 31, | | | |
|---|---|---|---|---|
| | 2017 | 2016 | $ Change | % Change |
| Subscription | $ 87,480 | $ 269,892 | $ (182,412) | (68%) |
| Brand & Media Partnerships | 113,702 | - | 113,702 | 100% |
| | $ 201,182 | $ 269,892 | $ (68,710) | (25%) |

Revenue for the year ended December 31, 2017 ("*Fiscal 2017*") decreased $68,710, or 25%, compared to the year ended December 31, 2016 ("*Fiscal 2016*") . Revenues for the periods presented were comprised of the following:

*Subscription.* Subscription revenue from season pass sales for Fiscal 2017 decreased $182,412, or 68%, compared to Fiscal 2016. The decrease was primarily due to a decrease in the number of season pass offers and number of participating venues per season held during Fiscal 2017. Season pass offers for Fiscal 2017 and Fiscal 2016 were three and five, respectively. Participating venues per season for Fiscal 2017 and Fiscal 2016 were approximately 12 and 70, respectively. For Fiscal 2017, we completed three seasons at 12 venues, which resulted in 250 unique experiences, compared to almost 1,000 unique experiences during Fiscal 2016.

From our inception in 2015 to mid-Fiscal 2016, our strategy was to establish and promote our amateur esports brand via expansion into movie theatres at scale to take advantage of the benefits of being a first mover in the amateur esports ecosystem. Several factors led to our strategy shift in mid-Fiscal 2016, including the addition of League of Legends to our game line up which required broadband and additional ongoing costs to theatre activation, along with higher capital investment and operational expense associated with running experiences across a widely distributed network of venues. We also recognized an opportunity to establish an amateur esports league based on geography and create intellectual property around city-based U.S. amateur league. By the second quarter of Fiscal 2016, we had approximately 100 active theatres in approximately 50 markets, but with the launch of our city teams in November 2016, we decreased our active footprint of theatres to four, with the intent of gradual expansion in Fiscal 2017 and beyond. By the first quarter of Fiscal 2017, we expanded to 12 cities. The smaller footprint also allowed us to increase the quality of our premium experiences and deepen player engagement, which, in turn, facilitated the further building of our brand and our ability to attract brand and media partners.

*Brand and Media Partnerships*. Brand and media partnership revenues for the year ended December 31, 2017 were $113,702, compared to $0 for the year ended December 31, 2016. Brand and media partnerships revenues for the year ended December 31, 2017 were primarily comprised of revenues from partnerships with Advanced Micro Devices, Inc., Nickelodeon, Mattel, Inc. and DMG Entertainment.

***Cost of Sales***

| | Year Ended December 31, | | | |
|---|---|---|---|---|
| | 2017 | 2016 | $ Change | % Change |
| Cost of sales | $ 1,487,905 | $ 1,460,438 | $ 27,467 | 2% |

Cost of sales for the year ended December 31, 2017 increased $27,467, or 2%, compared to the year ended December 31, 2016. The change was primarily due to the following:

*Contract Services*. Contract services costs for the year ended December 31, 2017 decreased $414,422, or 66%, compared to the year ended December 31, 2016. The decrease was primarily due to the reduction in the number of unique experiences held in 2017, as compared to 2016, resulting from the establishment of our city-based U.S. gamer league as described above, which focused on holding fewer but higher quality premium experiences at the local level. The decrease also reflects a strategic shift to contract directly with our on-site contract labor workforce instead of using higher-cost staffing agencies, which provided greater control over the quality of experiences along with cost savings.

*License Fees.* License fees included in costs of sales for the year ended December 31, 2017 increased $457,869, or 76%, compared to the year ended December 31, 2016. In June 2016, we entered into a gaming license agreement whereby we agreed to issue 550,000 restricted stock units ("*License RSUs*") upon the achievement of certain game related service conditions. License fees included in cost of sales related to License RSUs, which is recognized over the contractual license term of 18-months beginning June 2016 and ending December 31, 2017, totaled $1,054,167 and $595,833 for the years ended December 31, 2017 and 2016, respectively. License fees, excluding the License RSUs were not material for the periods presented.

**Operating Expenses**

*Selling, Marketing and Advertising*

| | Year Ended December 31, | | | |
|---|---|---|---|---|
| | 2017 | 2016 | $ Change | % Change |
| Selling, Marketing and Advertising | $ 1,155,506 | $ 1,295,016 | $ (139,510) | (11%) |

Selling, marketing and advertising expenses for the year ended December 31, 2017 decreased $139,510, or 11%, compared to the year ended December 31, 2016. The decrease was primarily due to a reduction in expense for third-party marketing agency costs totaling $350,377, due to the transition of certain marketing functions from third-party agencies to in-house resources. The decrease also reflects a reduction in marketing expense totaling $79,521, due to a decrease in influencer marketing costs and a decrease in theatre promotion costs. This decrease was partially offset by $333,333 of amortized prepaid advertising costs, which were initially capitalized pursuant to a June 2017 third-party investment agreement, which included in-kind advertising for future use by us, valued at $1.0 million, as a component of the consideration paid by the third-party in exchange for equity in the Company. The prepaid advertising is being amortized over a period of 18-months, ending in December 2018.

*Research and Development*

| | Year Ended December 31, | | | |
|---|---|---|---|---|
| | 2017 | 2016 | $ Change | % Change |
| Research and development | $ 61,543 | $ 142,380 | $ (80,837) | (57%) |

Research and development expense for the year ended December 31, 2017 decreased, $80,837 or 57%, compared to the year ended December 31, 2016. Research and development expense decreased due to a reduction in consulting costs associated with the development of in-theatre gaming equipment and related technology utilized in connection with our in-theatre experiences. Research and development expenses related to game testing and related technology development activities totaled $52,449 and $50,540, for the years ended December 31, 2017 and 2016, respectively.

*General and Administrative*

General and Administrative expense for the periods presented was comprised of the following:

| | Year Ended December 31, | | | |
|---|---|---|---|---|
| | 2017 | 2016 | $ Change | % Change |
| Personnel costs | $ 5,184,986 | $ 3,837,841 | 1,347,145 | 35% |
| Office and facilities | 267,290 | 194,440 | 72,850 | 37% |
| Professional fees | 469,965 | 664,989 | (195,024) | (29%) |
| Stock-based compensation | 3,612,743 | 2,661,106 | 951,637 | 36% |
| Depreciation and amortization | 1,237,609 | 963,110 | 274,499 | 29% |
| Other | 1,679,043 | 1,415,974 | 263,069 | 19% |
| Total general and administrative expense | $ 12,451,636 | $ 9,737,460 | $ 2,714,176 | 28% |

A summary of the main drivers of the change in general and administrative expenses was as follows:

- Increase in personnel costs totaling $1,347,145, due to an increase in headcount in connection with the expansion of our platform and continued establishment of our brand, including additional resources across our technology, product, operations, and commercial departments. As of December 31, 2017 and 2016, we had 38 and 29 full-time equivalent employees, respectively.

- Decrease in professional fees totaling $195,024, due to a decrease in consulting costs related to the development of the platform and theatre related infrastructure and networking.

- Increase in office and facilities totaling $72,850, primarily due to the increase in leased office space in June 2016 in connection with the expansion of our operations.

- Increase in noncash stock compensation totaling $951,637, primarily due to the increase in headcount described above.

- Increase in depreciation and amortization totaling $274,499, due to an increase in furniture and fixtures and computer related hardware associated with the expansion of operations.

- Increase in other general and administrative expense totaling $263,069, primarily due to an increase in broadband costs totaling $200,726, primarily due to a full year of expense for theatre installations occurring during the third and fourth quarters of Fiscal 2017. The increase also reflects an increase in AWS cloud-based computing service costs in connection with the expansion of operations utilizing the platform.

**Liquidity and Capital Resources**

**General**

Cash totaled $785,269 at June 30, 2018, compared to $1,709,473 at December 31, 2017 and $2,870,546 at December 31, 2016.

We have experienced net losses and negative cash flows from operations since our inception. As of June 30, 2018, we had cash of approximately $785,269, negative working capital of approximately $1,780,948, and sustained cumulative losses attributable to common stockholders of approximately $42,640,103. Subsequent to June 30, 2018, the Company issued additional 9.00% secured convertible promissory notes in an aggregate principal amount of $8,036,204, in August 2018.

We believe that our cash on hand, including the approximately $ in net proceeds received from this offering, will sustain operations until , 20 . We are dependent on obtaining, and are continuing to pursue, the necessary funding from outside sources, including obtaining additional funding from the sale of securities in order to continue our operations. Without adequate funding, we may not be able to meet our obligations. We believe these conditions raise substantial doubt about our ability to continue as a going concern.

To date, our principal sources of capital used to fund our operations have been the net proceeds we received from private sales of equity securities and proceeds received from the issuance of convertible debt, as described below.

We expect to incur substantial expenditures in the foreseeable future for the development of our esports brand, community and technology platform. We will require additional financing to further develop and market our esports technology platform, fund operations, and otherwise implement our business strategy. Our current financial condition raises substantial doubt about our ability to continue as a going concern. Our failure to raise capital as and when needed would have a material adverse impact on our financial condition, our ability to meet our obligations, and our ability to pursue our business strategies. We will seek funds through additional equity or debt financings, collaborative or other arrangements with corporate sources, or through other sources of financing.

We are focused on expanding our service offering through internal development, collaborations, and through strategic acquisitions. We are continually evaluating potential asset acquisitions and business combinations. To finance such acquisitions, we might raise additional equity capital, incur additional debt, or both.

**Cash Flows for the Six Months Ended June 30, 2018 and 2017**

The following table summarizes changes in cash for the six months ended June 30, 2018 and 2017:

| | Six Months Ended June 30, | |
|---|---|---|
| | 2018 | 2017 |
| | (Unaudited) | |
| Net cash used in operating activities | $ (5,494,815) | $ (3,858,290) |
| Net cash used in investing activities | (241,686) | (237,211) |
| Net cash provided by financing activities | 4,812,297 | 3,618,901 |
| Decrease in cash | (924,204) | (476,600) |
| Cash at beginning of period | 1,709,473 | 2,870,546 |
| Cash at end of period | $ 785,269 | $ 2,393,946 |

*Cash Flows from Operating Activities.* Net cash used in operating activities for the six months ended June 30, 2018 was $5,494,815, which primarily reflected our net loss of $8,133,445, net of adjustments to reconcile net loss to net cash used in operating activities of $2,638,630, which included $1,687,575 of noncash stock compensation charges and $535,678 of noncash depreciation and amortization charges. Changes in working capital primarily reflected increases in receivables and the settlement of payables in the ordinary course. Net cash used in operating activities for the six months ended June 30, 2017 was $4,408,290 which primarily reflected our net loss of $6,815,734, net of adjustments to reconcile net loss to net cash used in operating activities of $2,407,444, which included $1,671,688 of noncash stock compensation charges and $617,616 of noncash depreciation and amortization charges. Changes in working capital primary reflected the settlement of payables in the ordinary course.

*Cash Flows from Investing Activities.* Cash flows from investing activities were comprised of the following for the interim periods presented:

| | Six Months Ended June 30, | |
|---|---|---|
| | 2018 | 2017 |
| | (Unaudited) | |
| Purchase of property and equipment | (135,116) | (191,585) |
| Capitalization of software development costs | (79,505) | (45,626) |
| Acquisition of other intangible and other assets | (27,065) | – |
| **Net cash used in investing activities** | $ (241,686) | $ (237,211) |

*Cash Flows from Financing Activities.* Cash flows from investing activities were comprised of the following for the interim periods presented:

| | Six Months Ended June 30, | |
|---|---|---|
| | 2018 | 2017 |
| | (Unaudited) | |
| Proceeds from issuance of common stock, net of issuance costs | $ - | $ 3,618,901 |
| Proceeds from convertible note payable, net of issuance cost | 4,812,297 | - |
| **Net cash provided by financing activities** | $ 4,812,297 | $ 3,618,901 |

During the six months ended June 30, 2017, the Company issued 2,087,079 shares of common stock at a price of $3.60 per share, raising aggregate net proceeds of approximately $7.5 million. At June 30, 2017, $2.6 million of the proceeds were included in subscriptions receivable and collected subsequent to June 30, 2017.

From May through June 2018, the Company issued 9.00% secured convertible promissory notes (the "*2018 Notes*") in the aggregate principal amount of $4,963,798. The 2018 Notes (i) accrue simple interest at the rate of 9.00% per annum, (ii) mature on the earlier of the closing of an initial public offering ("*IPO*") of the Company's common stock on a national securities exchange or April 30, 2019, and (iii) all outstanding principal and accrued interest is automatically convertible into shares of common stock upon the close of an IPO at the lesser of (x) $3.60 per share or (y) a 15% discount to the price per share of the IPO. In addition, the holders of the 2018 Notes were collectively issued 1,561,023 warrants to purchase common stock equal to 100% of the principal amount of the 2018 Notes (including accrued interest as described below) divided by $3.60 per share. The warrants are exercisable for a term of five years, commencing on the close of an IPO, at an exercise price equal to the lesser of (x) $3.60 per share or (y) a 15% discount to the IPO price per share (the "*2018 Warrants*"). The 2018 Warrants have a term of five years, and are callable at the election of the Company at any time following the closing of an IPO.

From February through April 2018, the Company issued 9.00% secured convertible promissory notes (the "*Initial 2018 Notes*") in the aggregate principal amount of $3,000,000. The Initial 2018 Notes (i) accrued simple interest at the rate of 9.00% per annum, (ii) matured on the earlier of December 31, 2018 or the close of a $15,000,000 equity financing of the Company (a "*Qualifying Equity Financing*") by the Company, and (iii) all outstanding principal and accrued interest was automatically convertible into equity or equity-linked securities sold in the Qualifying Equity Financing based upon a conversion rate equal to (x) a 10% discount to the price per share of the Qualifying Equity Financing, with (y) a floor of $3.60 per share. In addition, the holders of the Initial 2018 Notes were collectively issued warrants to purchase 166,667 shares of common stock, with an exercise price of $3.60 per share and a term of five years (the "*Initial 2018 Warrants*").

In May 2018, all of the Initial 2018 Notes and related accrued interest thereon in the aggregate amount of $3,055,886, were converted into the 2018 Notes. The holders of the Initial 2018 Notes who converted into the 2018 Notes retained their respective Initial 2018 Warrants. The totals for the 2018 Notes and 2018 Warrants disclosed above include amounts converted related to the Initial 2018 Notes and Initial 2018 Warrants.

**Cash Flows for the Years Ended December 31, 2017 and 2016**

The following table summarizes changes in cash for the years ended December 31, 2017 and 2016:

| | Year Ended December 31, | |
|---|---|---|
| | **2017** | **2016** |
| Net cash used in operating activities | $ (8,968,886) | $ (8,314,450) |
| Net cash used in investing activities | (437,069) | (1,591,950) |
| Net cash provided by financing activities | 8,244,882 | 10,413,645 |
| (Decrease) increase in cash | (1,161,073) | 507,245 |
| Cash at beginning of period | 2,870,546 | 2,363,301 |
| Cash at end of period | $ 1,709,473 | $ 2,870,546 |

*Cash Flows from Operating Activities.* Net cash used in operating activities for the year ended December 31, 2017 was $8,968,886, which primarily reflected our net loss of $14,955,408, net of adjustments to reconcile net loss to net cash used in operating activities of $5,986,522, which included $4,666,910 of non-cash stock compensation charges and $1,237,608 of non-cash depreciation and amortization charges. Changes in working capital primarily reflected increases in receivables and the settlement of payables in the ordinary course. Net cash used in operating activities for the year ended December 31, 2016 was $8,314,450, which primarily reflected our net loss of $12,365,402, net of adjustments to reconcile net loss to net cash used in operating activities of $4,050,952, which included $3,298,937 of noncash stock compensation charges and $963,049 of non-cash depreciation and amortization charges. Changes in working capital primary reflected the settlement of payables in the ordinary course.

*Cash Flows from Investing Activities.* Cash flows from investing activities were comprised of the following for the annual periods presented:

| | Year Ended December 31, | |
|---|---|---|
| | 2017 | 2016 |
| Purchase of property and equipment | $ (327,351) | $ (1,359,927) |
| Capitalization of software development costs | (109,718) | (195,453) |
| Acquisition of other intangible and other assets | – | (36,570) |
| **Net cash used in investing activities** | $ (437,069) | $ (1,591,950) |

*Cash Flows from Financing Activities.* Cash flows from investing activities were comprised of the following for the annual periods presented:

| | Year Ended December 31, | |
|---|---|---|
| | 2017 | 2016 |
| Proceeds from issuance of common stock, net of issuance costs | $ 8,244,882 | $ 5,356,645 |
| Proceeds from exercise of stock options | – | 7,000 |
| Proceeds from convertible note payable | – | 5,350,000 |
| Repayment on convertible note payable | – | (300,000) |
| **Net cash provided by financing activities** | $ 8,244,882 | $ 10,413,645 |

*Issuance of Common stock*. During the year ended December 31, 2017, the Company issued 2,364,857 shares of common stock at $3.60 per share in private placement transactions, raising net proceeds of $8,244,883. During the year ended December 31, 2016, the Company issued 1,517,089 shares of common stock at $3.60 per share in private placement transactions, raising net proceeds of $5,356,645.

*Convertible Debt*. In April 2016, the Company issued non-interest bearing, unsecured convertible notes in the aggregate principal amount of $5,350,000 to investors (the "*2016 Notes*"), $5,050,000 of which were automatically converted into 1,551,484 shares of common stock in October 2016 upon the closing by the Company of a qualified equity offering pursuant to the note purchase agreement executed in connection with the issuance of the 2016 Notes. The remaining principal amount of $300,000 outstanding under the 2016 Notes was repaid in full during the Company's fiscal year ended December 31, 2016.

**Contractual Obligations**

As of December 31, 2017, we had no significant commitments for capital expenditures, nor do we have any committed lines of credit, noncancelable operating leases obligations, other committed funding or long-term debt, and no guarantees.

The operating lease for our corporate headquarters expired on May 31, 2017 and was subsequently amended to operate on a month-to-month basis.

Rent expense for the years ended December 31, 2017 and 2016 were approximately $238,000 and $184,000, respectively, and is included in general and administrative expense in the accompanying statements of operations included elsewhere in this prospectus. Rental payments are expensed in the statements of operations in the period to which they relate. Scheduled rent increases, if any, are amortized on a straight-line basis over the lease term.

**Off-Balance Sheet Commitments and Arrangements**

We have not entered into any off-balance sheet financial guarantees or other off-balance sheet commitments to guarantee the payment obligations of any third parties. We have not entered into any derivative contracts that are indexed to our shares and classified as stockholder's equity or that are not reflected in our financial statements included elsewhere in this prospectus. Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity or market risk support to such entity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or engages in leasing, hedging or product development services with us.

**Quantitative and Qualitative Disclosures about Market Risk**

In the ordinary course of our business, we are not currently exposed to market risk of the sort that may arise from changes in interest rates or foreign currency exchange rates, or that may otherwise arise from transactions in derivatives.

The preparation of financial statements in conformity with GAAP requires our management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The Company's significant estimates and assumptions include the fair value of the Company's common stock, stock-based compensation, the recoverability and useful lives of long-lived assets, and the valuation allowance relating to the Company's deferred tax assets.

**Recent Accounting Pronouncements**

In May 2014, the Financial Accounting Standards Board ("*FASB*") issued an accounting update requiring a company to recognize as revenue the amount of consideration it expects to be entitled to in connection with the transfer of promised goods or services to customers. The accounting standard update will replace most of the exiting revenue recognition guidance currently promulgated by GAAP. In August 2015, the FASB decided to delay the effective date of new revenue standard by one year. The new guidance is effective for emerging growth companies for annual periods beginning after December 15, 2018, with early adoption permitted. We are in the process of evaluating the impact, if any, of the update on our financial position, results of operations and financial statement disclosures.

In February 2016, the FASB issued an accounting update that requires lessees to present right-of-use assets and lease liabilities on the balance sheet. The new guidance is to be applied using a modified retrospective approach at the beginning of the earliest comparative periods in the financial statements and is effective for fiscal years beginning after December 15, 2019 and early adoption is permitted. The Company is evaluating the impact that this guidance will have on its financial position, results of operations and financial statement disclosures.

**Contingencies**

Certain conditions may exist as of the date the financial statements are issued, which may result in a loss to the Company, but which will only be resolved when one or more future events occur or fail to occur. The Company's management, in consultation with its legal counsel as appropriate, assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company, in consultation with legal counsel, evaluates the perceived merits of any legal proceedings or unasserted claims, as well as the perceived merits of the amount of relief sought or expected to be sought therein. If the assessment of a contingency indicates it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company's financial statements. If the assessment indicates a potentially material loss contingency is not probable, but is reasonably possible, or is probable, but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss, if determinable and material, would be disclosed. Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed.

**Relaxed Ongoing Reporting Requirements**

Upon the completion of this offering, we expect to become a public reporting company under the Exchange Act, and will be required to publicly report on an ongoing basis. We expect to elect to report as an "emerging growth company" (as defined in the JOBS Act) under the reporting rules set forth under the Exchange Act. For so long as we remain an "emerging growth company," we may take advantage of certain exemptions from various reporting requirements that are applicable to other Exchange Act reporting companies that are not "emerging growth companies," including but not limited to:

- not being required to comply with the auditor attestation requirements of Section 404 of SOX;
- taking advantage of extensions of time to comply with certain new or revised financial accounting standards;
- being permitted to comply with reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements; and
- being exempt from the requirement to hold a non-binding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

We will be subject to ongoing public reporting requirements that are less rigorous than Exchange Act rules for companies that are not "emerging growth companies," and our stockholders could receive less information than they might expect to receive from more mature public companies.

We expect to take advantage of these reporting exemptions until we are no longer an emerging growth company. We would remain an "emerging growth company" for up to five years, although if the market value of our Common Stock that is held by non-affiliates exceeds $700 million as of any June 30 before that time, we would cease to be an "emerging growth company" as of the following December 31.

## OUR BUSINESS

### Overview

We are a leading amateur esports community and content platform offering a personalized experience to the large and underserved global audience of 2.3 billion gamers, as estimated by NewZoo. According to the Electronic Software Association, the avid gamer sees gameplay as central to their social life with 55% playing video games to connect with friends and 46% to spend time with family members. Through our proprietary, cloud-based technology platform, we connect our network of gamers, venues and brand partners to enable local, social and competitive esports that can be uniquely broadcast through our platform. We offer daily and season-focused offerings for which amateur competitive gamers establish meaningful connections with each other while improving their skills.

As a first-mover in defining the amateur esports category in 2015, we believe we are one of the most recognizable brands for amateur gamers. We have multi-year strategic partnerships with leading game publishers such as Microsoft and Riot Games with titles including Minecraft and League of Legends, respectively, to drive use among our member base and further penetrate our target market. We deliver enhanced gaming experiences to our members with these titles through our platform, and we provide our venue and brand partners access to our member network and platform technology. We believe our members and the organizations that use our platform are only beginning to leverage the power of the consumer experience, commercial benefits, and data analytics our technology enables. Targeting Generation Z and Millennials, members join through accessible, free-to-play experiences allowing us to reach the expansive amateur gaming market. We convert members into subscribers by offering two tiers of competitive gameplay engagement: (i) our monthly subscription for the more casual competitive player, offering access to exclusive weekly online tournaments, member benefits and our loyalty program; and (ii) our semi-annual season pass for the more competitive player offering access to our city leagues and advanced amateur esports offers along with membership rewards.

***The Esports Player Pyramid***


* Based on the average esports viewer, Nielsen Esports Playbook, 2017

**Our Vision**

Our vision is to make Super League Gaming the preeminent brand and platform for amateur esports. We do this by providing a proprietary, end-to-end platform that allows our members to compete, socialize and spectate premium amateur esports gameplay and enabling a wide ecosystem of partners to bring Super League experiences at scale to gamers around the world.

After securing strategic partnerships with the publishers of top-tier game titles beginning in 2016, we became the first consumer of our platform technology through the establishment of our city leagues, consisting of 16 teams based in various U.S. cities built around Minecraft, League of Legends and, most recently, Clash Royale. In 2017, we further differentiated our offering by migrating to a cloud-based technology platform for scale while continuing to build and establish the Super League Gaming brand. We also developed intelligent technology that facilitates personalized experiences and matchmaking for gamers, and audience-targeted gameplay broadcasting content at scale.

***Strategy and Milestones***

| | **2015 to 2017** | **2018** |
|---|---|---|
| Theme | Technology and Brand Foundation | Community and Network Foundation |
| Core Objectives | ● Establish the brand<br>● Build technology platform<br>● Establish amateur leagues | ● Cultivate audience and user base<br>● Enhance technology platform for scale<br>● Establish nodes of distributed network |
| Technology and Web | ● Develop automated tournament operations, including ticketing, team formation and leaderboards<br>● Create local visualization from local hardware devices | ● Develop cloud-based streaming infrastructure for scale of local, custom gameplay<br>● Complete automation of API integration on our platform<br>● Enhance standardized ticketing and gameplay launcher to streamline operation of Super League experiences<br>● Create robust game statistics management<br>● Provide “always-on” offers, allowing members to play anytime |
| Brand | ● Super League Gaming (master brand)<br>● 12 City Clubs<br>● National tournament (City Champs) | ● SuperLeagueTV<br>● Establish four additional City Clubs<br>● Introduction of additional gameplay offers |
| Game Titles | Execute Microsoft and Riot licensing agreements | Addition of three new, top-tier game titles to our platform |
| Network | ● Theatres<br>● Action Squad, our local, city-by-city contract workforce | ● Retailers: local area network (“*LAN*”) centers and restaurants<br>● Pro Teams, local organizers and ambassadors<br>● Brands: national and local sponsors |

Since the launch of the Super League brand in 2015, we have continually strengthened our brand and platform by:

- developing our proprietary, highly automated community, tournament and broadcast system;
- executing multi-year agreements with top tier game titles;
- creating a product library of 10 unique game modes related to our licensed game titles that are exclusive to Super League and utilized during our gaming experiences;
- launching our City Club League consisting of 16 city-based teams across the U.S. supported by a fleet of installed gaming auditoriums;
- establishing a flexible event-specific contract labor workforce, consisting of over 150 trained and engaged individuals;
- executing multi-year, global brand sponsorship deals, such as Logitech, Red Bull and Nickelodeon;
- securing 38 protected logos and wordmarks domestically, collectively, and two logos and wordmarks in China for our master brand and 16 of our City Clubs; and
- establishing three patent families in the U.S. around multi-player gameplay and visualization.

We are now positioned to expand the utility of our platform for new game titles and a distributed network of venue operators and gameplay organizers to further develop a self-organizing marketplace for online and in-person gaming experiences. This expansion of game titles, across multiple hardware platforms, venue partners and offerings will bring new audiences to Super League to increase the breadth of our audience and depth of engagement through our "always on" gameplay experiences.

**Our Platform**

Our proprietary cloud- based platform provides amateur gamers a modernized way to connect, play and view games in real-time. We believe our platform will become central to the esports ecosystem and allow us to capture a significant portion of our members' gameplay hours and share-of-wallet for greater lifetime value. Our platform aggregates a diverse audience of gamers across multiple game titles and provides our members with access to online, in-person and hybrid competitive experiences and broadcasts that are accessible to a broad range of ages and demographics. Through our platform, we have three core components that enable differentiated and immersive gameplay at scale for both online and in-person experiences:

**(i)** **Match-Making** allows members to create their public-facing gamer persona and applies distinct criteria and filters around team size, skill level and geography to intelligently match our members for competitive gameplay and facilitate rich online and in-person social connections.

**(ii)** **Tournament Operations** supports all major components of tournament operations and automation including, for example, ticketing, user management, event management, event operations, API integrations, data services, leaderboards and prize fulfillment.

**(iii)** **Our Proprietary Visualization and Broadcast System** is capable of capturing and live streaming gameplay across all digital distribution platforms and delivering separate streams simultaneously to multiple locations and channels, including through our Player and Spectator Third-Person Experience and the SuperLeagueTV digital network, as further described below.

Our Player Interface, illustrated below, is the entry point of use for our members that offers a user-friendly and engaging interaction from profile creation to tournament operations, and provides our members with real-time reporting of personal statistics, national leaderboards and other individualized gaming content.

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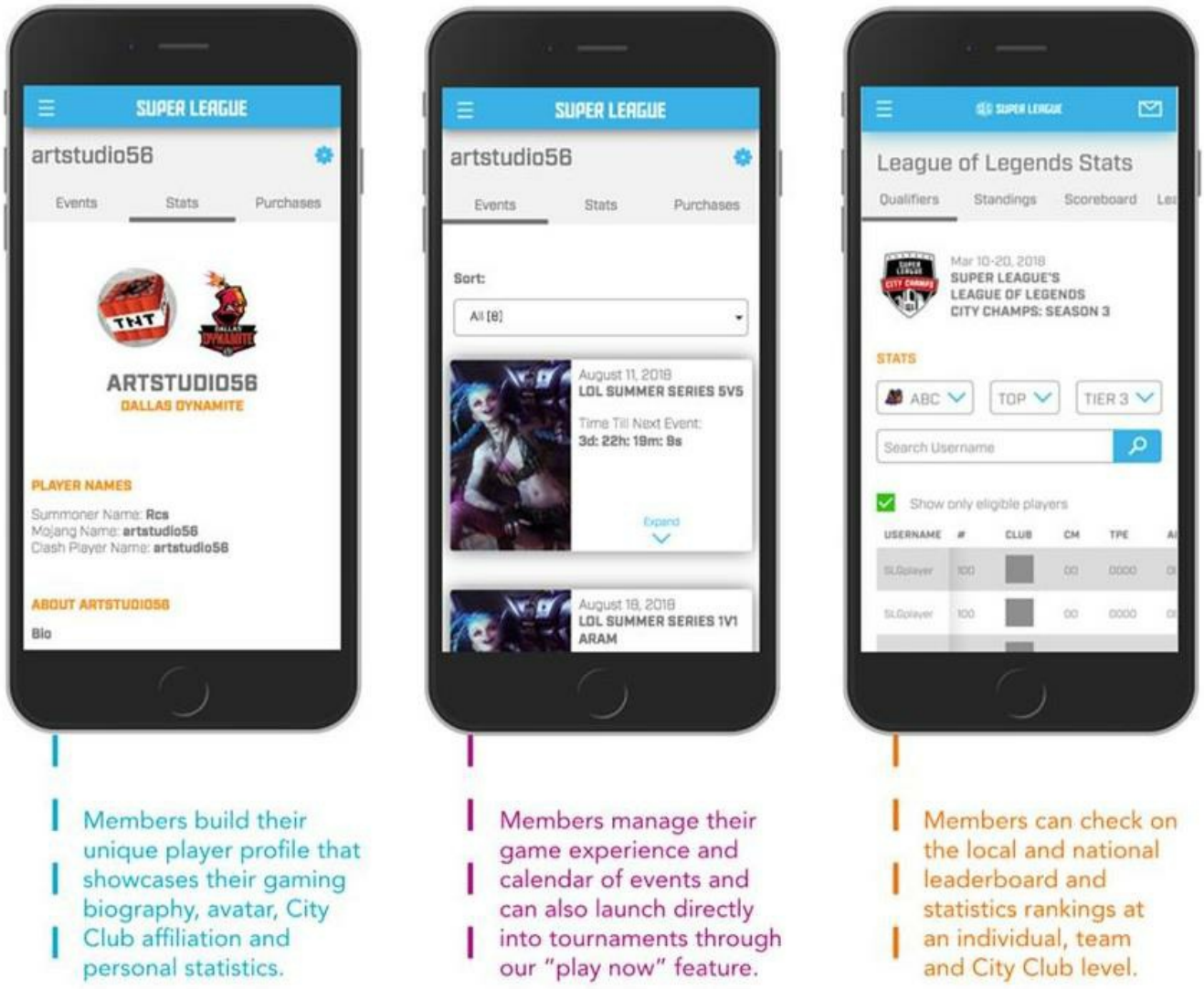
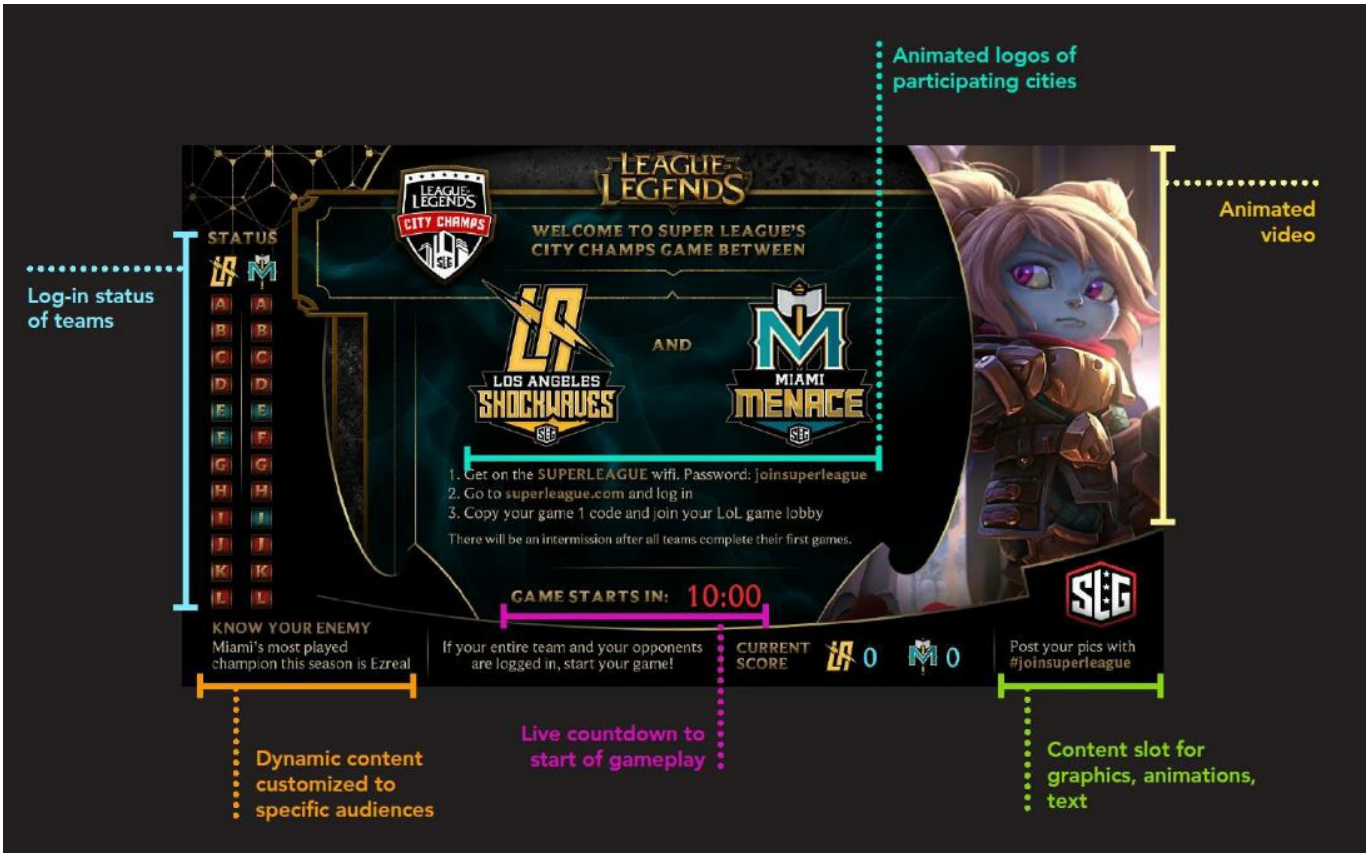
***Super League's User Portal***




Our Player and Spectator Third-Person Experience, as illustrated below, provides players and spectators with pre-gameplay content and a unique "birds-eye" view during gameplay that is captured by our platform and overlaid with additional interactive content allowing us to introduce a new screen to the gameplay experience beyond the traditional first-person and spectating views. The end broadcast result is our customizable Heads-up-Display ("*HUD*"), which complements gameplay through dynamic visualization of player and team statistics, competitive status updates and contextual content that can also be uniquely displayed on a hyper-local level across venues. Before gameplay begins, players entering our experiences are greeted with a welcome screen that contains key information, including experience start-time, team assignments, log-in status of individual teams and players and other entertaining content.

***Super League's HUD Pre-Gameplay View***



Once gameplay is launched, players and spectators enjoy a unique third-person perspective of gameplay along with dynamic leaderboards, statistics and other tournament-specific content including brand sponsor integration, local team and player statistics, instructional tips and other pertinent content, as illustrated below. Dynamic leaderboards update in real-time during gameplay and provide recaps of team and individual scoring highlights at intermission and at the conclusion of competition.

***Super League's HUD Gameplay View***

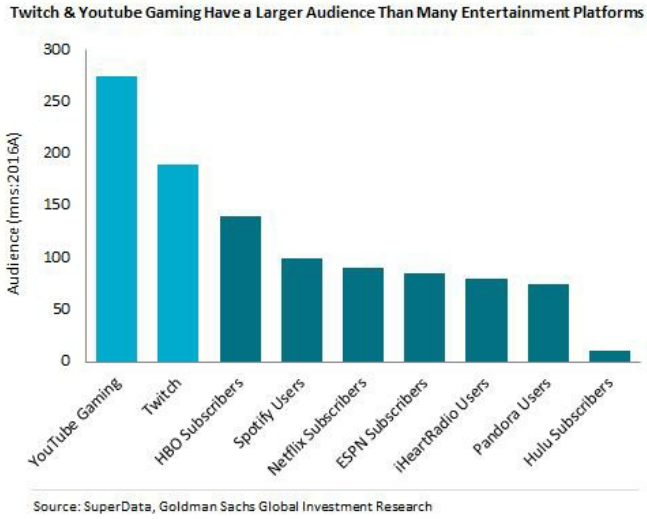

In addition, our proprietary SuperLeagueTV digital network is the first esports media property principally dedicated to amateur players and teams. Currently, live stream gameplay and video-on-demand ("*VOD*") content is broadcast through SuperLeagueTV on Twitch and YouTube. We believe that SuperLeagueTV's digital broadcast distribution is an essential way to drive viewership and membership interest, along with new game title expansion and additional online and in-person experiences through our distributed venue partner network.

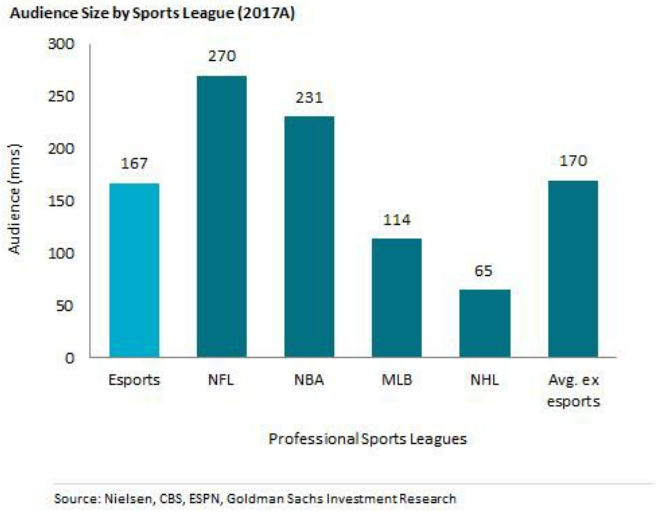
**Industry Overview**

The consumer appetite for esports continues to grow at a rapid pace with passionate fans across the globe. According to NewZoo, the global gaming market will reach approximately $137.9 billion by the end of 2018, representing a 13.3% increase from 2017. Key trends fueling this growth include the rise of live streaming, real-time social networking within games, and multi-generational and lifestyle gaming.

In particular, the professional esports industry is growing quickly, evidenced through new leagues, teams and broadcast distribution channels, and this growth is attracting high-profile esports investments from brands, media organizations and traditional sports rights holders. As professional esports player salaries and the value of broadcast media rights have risen substantially, there is large unmet demand at the amateur level for competitions and viewing content, which, for esports fans, is predominantly consumed through live streaming and over-the-top ("*OTT*") channels. The following data points illustrate the vast growth opportunity for global esports:

***Audience is already comparable to leading entertainment platforms.***



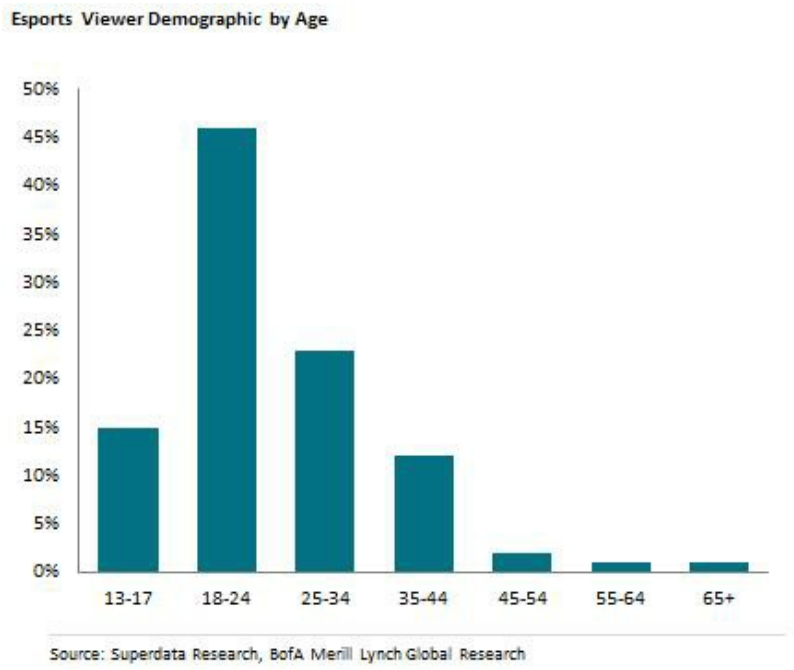

***Gamers and viewers number in the hundreds of millions.***

- A portfolio of just a few top tier game titles can bring access to hundreds of millions of gamers, as the estimated monthly active users ("*MAU*") for Fortnite, League of Legends and Minecraft is 125 million, 100 million and 74 million, respectively (Statista and Microsoft, 2018).
- 355 billion minutes of esports are estimated to be live streamed on Twitch in 2018, and by 2022, esports is on track to reach 300 million global viewers, which is similar to the current global audience size of the National Football League ("*NFL*") (Goldman Sachs Esports Equity Research, 2018).

***Engagement is both broad and deep.***

- The average U.S. gaming household, or households with more than one gamer, has 1.7 gamers (Electronic Software Association, 2018)..
- An esports viewer spends up to 9 hours per week watching esports-related content in addition to over 8 hours of gameplay per week (Nielsen Esports Playbook, 2017.

***Demographics centered on the highly sought after, younger segments.***



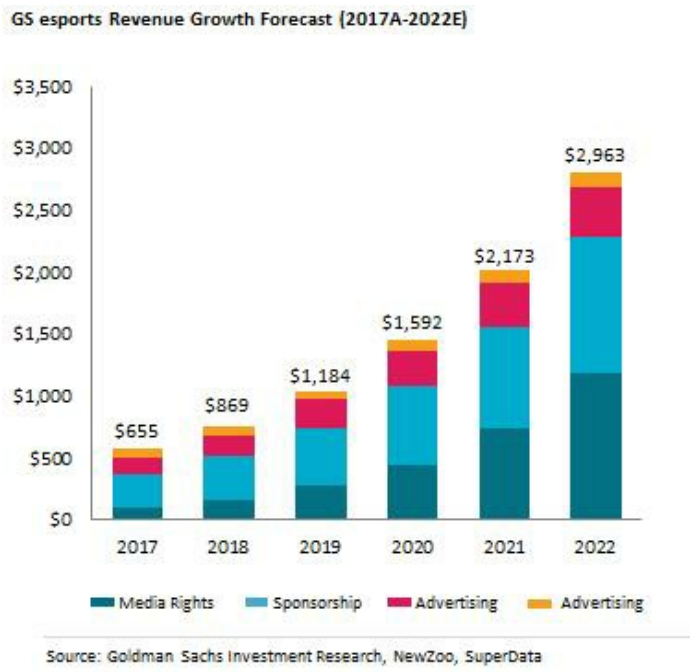
***Video games have a positive social impact.***

- 70% of parents believing gaming "has a positive influence on their children's lives" (Electronic Software Association, 2018).
- Esports enthusiasts, on average, have higher college graduation rates and average household incomes, with 43% earning greater than $75,000 per year, relative to traditional sports fans (Mindshare, Esports Fans: What Marketers Should Now, 2016).

***Revenue potential is valued at billions of dollars and broad based.***

- Recent reports show a "$15 billion blue sky revenue opportunity" for professional esports due to the highly engaged and untapped fanbase (Merrill Lynch Interactive Report, 2018).
- Gaming video content is estimated to be a $4.6 billion market with more viewers than HBO, Netflix, ESPN and Hulu combined (SuperData Research, 2017).
- Currently, an estimated 40% of professional esports revenues come from brand and media sponsorships (endemic and non-endemic) and 19% from media rights, with the latter expected to grow to 40% by 2022 (BofA Merrill Lynch Global Research, 2018).

***Revenue potential is not only very large, but also growing rapidly.***



**Our Opportunity**

We believe our esports community platform will transform the way amateur gamers connect, interact, socialize and compete. Our premium, competitive gameplay experiences and elite amateur broadcasts, coupled with the expansion of our game title portfolio, our retail venue partner network and our strategic brand sponsorships introduce new gamers into our customer funnel to drive membership growth and subscription conversion. Esports is still in its early stages and entering a new phase of growth, but top game titles attract large, global audiences and just a few titles provide us access to hundreds of millions of players. Examples include:

***Game Title Sample Set***

| TITLE | PUBLISHER | GENRE | TARGET DEMOGRAPHIC (AGE) | ESTIMATED MAU/PLAYERS |
|---|---|---|---|---|
| League of Legends | Riot Games | Multiplayer Online Battle Arena ("*MOBA*") | 14 – 34 | 100MM[1] |
| Minecraft | Microsoft (Mojang) | Sandbox | 6 – 14 | 74MM[2] |
| Clash Royale | Supercell | Collectible Card Game ("*CCG*"); Tower Defense; Real Time Strategy ("*RTS*"); "*MOBA*" | 14 – 50 | 100MM[3] |
| Fortnite | Epic Games | Battle Royale | 8 – 34 | 125MM[1] |
| Rocket League | Psyonix | Sports | 8 – 34 | 40MM[4] |

(1) statista.com.

(2) popsugar.com, "Minecraft Boss Helen Chiang on Her New Role, Breaking Records, and What's in Store For 2018," May 8, 2018.

(3) 100MM MAU across all four of Supercell's games announced via twitter.com, March 7, 2016.

(4) twitter.com, @rocketleague, January 2, 2018.

Despite the significant growth potential outlined above, there are several key challenges facing stakeholders in the esports landscape:

- **Amateur Gamers** are a highly fragmented, often anonymous community with limited ways to find gamers of similar skill-level and gaming interest online and locally. In addition, the lack of amateur esports infrastructure results in few experiences with no clear path to the professional esports level for players who wish to develop and test their skills while forging social connections.

- **Game Publishers** must find alternative methods to attract new gamer audiences to their game titles and offer premium experiences that drive greater gamer retention. The lack of diversity in gaming, along with increased competition amongst titles, requires marketing partnerships to extend the lifecycle and franchise value of their intellectual property.

- **Venue Operators,** including restaurants and retailers, must grow same-store sales in order to capture new sources of foot-traffic and deeper customer loyalty. Millennials and Generation Z generally value experiences, but tend to purchase more content and products online, making them an attractive demographic to widen a venue's customer base and improve asset utilization.

- **Sponsors and Advertisers** are limited in their channels to reach the "cord cutting" Generation Z and Millennials due to the increasing fragmentation of content distribution and use of advertising-blocking technology. Given these demographic groups consume most content online, brands are challenged to target these audiences in an authentic way and achieve efficient marketing spend.

- **Professional Esports Teams and Owners** have made significant investments in their teams and must rapidly develop a fanbase to achieve franchise values similar to traditional sports teams. However, there is no formal structure to identify the next generation of esports professionals to build their long-term rosters to support long-term fan loyalty.

***Super League's Solution for Esports Ecosystem Stakeholders***


Our platform offers the following solutions for these key stakeholders:

- **For Amateur Gamers,** our platform enables online and in-person player connections and a league-based structure that provides participants and spectators with a unique lens on elite and local amateur gameplay. Over time, we expect to have a volume of broadcast content that allows us to build our own premium OTT channel network on SuperLeagueTV and, ultimately, attract broadcast rights revenue.

- **For Game Publishers,** our platform introduces their game titles to new audiences and drives retention by providing an immersive, premium way to play games, leading to deeper player engagement. Through our data analytics, we believe we will become a central

component to new game development and launches, and will have the ability to drive cross-game behavior across a wide portfolio of game titles.

- **For Venue Operators**, we provide licenses to access our platform in order to operate esports experiences that enable these enterprises to attract new foot traffic, improve day-part utilization and drive same store sales. In addition, we expect to provide venue operators with predictive customer activity information for more targeted offers to existing customers and our members.

- **For Sponsors and Advertisers,** our platform provides a highly targeted marketing channel that offers a relevant path for brands to build affinity with the hard to reach, yet highly sought after, Generation Z and Millennial demographics. Based on our member data, we will have the ability to target audiences based on our members' profile information for more efficient marketing spend.

- **For Professional Esports Teams and Owners,** we cultivate the future professional esports fanbase through amateur competitive youth leagues, while providing an amateur feeder system as a path to the professional leagues. Looking forward, we will have a comprehensive set of data and tools to provide player analytics and progress skill levels.

**Our Amateur Esports Capabilities**

Super League is an "always-on" operation with scalable technology and deep experiential capabilities to deliver premium player experiences in the amateur esports space. Our value propositions for all competitive amateur gamers, irrespective of our game titles, are:

- **Public-facing gamer persona that connect our members to their local community:** Members can create a gamer profile that provides key gamer information, such as their unique game title identification, enabling us to manage player matchmaking, tournament gameplay and statistics tracking. Member results are dynamically updated on individual profile pages, along with national and local leaderboards.

- **High-quality, immersive gameplay experiences online and in-person:** Members can initially join our platform through accessible, free-to-play, online experiences and then convert to our monthly subscription offers for a deeper engagement through exclusive weekly online competitions across all game titles. More competitive members can subscribe to our semi-annual season pass, which includes access to our city league for more heightened, immersive gameplay. In addition, our distributed network of retail venues, will augment our subscription offers and allow for event-specific, in-person experiences to drive more members and gameplay hours to our platform.

- **Broadcasts of elite amateur gameplay competitions from a unique perspective:** Our cloud-based platform allows anyone, anywhere to view gameplay with a birds-eye perspective that is interactive and contextualized. Spectators can view live gameplay and original story-driven content either in-venue or through live stream and VOD on a wide network of digital distribution channels such as Twitch and YouTube.

- **Exclusive member benefits and player status program:** Members earn rewards through gameplay participation to enhance their individual gamer profile and gain exposure on national and local leaderboards on an annual and lifetime basis. In the future, members will be rewarded for the quality and length of gameplay through our platform and have access to additional member benefits in the form of exclusive experiences, content and offers available from our top consumer brand and retail partners.

- **New way to make social gaming connections:** Members enjoy an easier way to meet new friends and experience the games they are passionate about through their engagement with a new social community. In addition to socializing in our competitions, our members can communicate through our media channels, including Facebook, Discord and SuperLeagueTV, as part of a positive, inclusive community.

**Subscriptions**

Core to our business is moving to a subscription-based model that allows gamers of varying levels of gameplay across multiple titles to engage in premium competition on our platform. Members join through accessible, free-to-play experiences that act as an introduction to our platform, and over time, convert into two tiers of consumer subscriptions. We also offer specialized commercial subscriptions for venue operators to drive new membership. Each of these offerings are further described below:

**(i)** **Monthly Subscriptions** target the more casual competitive gamer and is set at an affordable price-point with a 90-day free trial and a discounted price if purchased annually. The monthly pass provides competitive amateur gamers with access to exclusive weekly online tournaments across all active game titles and member benefits unique to our loyalty program. At the end of the trial period, members are enrolled as paying subscribers and billed monthly thereafter. Current pricing is set at $4.99 per month with the option to purchase an annual subscription at the discounted price of $49.90 in effect offering two months free, not inclusive of purchases of one-off experience passes and merchandise from our website, superleague.com.

**(ii)** **Semi-Annual Season Passes** target the more dedicated amateur gamer who has a greater share of gameplay hours and share-of-wallet to commit to intensive competition. The season pass provides access to our city leagues for a heightened level of hybrid competition, both online and in-person, over an extended number of weeks. Taking place each spring and fall, our City Club League is a national tournament lasting between six to 12 weeks and can include pre-season qualifications and post-season “All-Star” components. Current pricing for semi-annual passes range from $40.00 to $60.00 per season, translating to $80.00 to $120.00 of annual revenue for our recurring players, not inclusive of one-off experience passes and merchandise from our website, superleague.com.

**(iii)** **Commercial Subscriptions** enable retail venue partners to license our platform to host curated Super League experiences for a monthly fee to introduce a wider reach of amateur gamers to Super League experiences and drive more membership and gameplay hours through our platform. This allows retail and restaurant operators to attract new foot traffic and enhance capacity utilization by creating interactive gaming experiences in their locations, and we, in turn, benefit from their wide national geographic reach and the leverage provided by their infrastructure, marketing and operations, ultimately bringing Super League to a wider community of amateur competitive gamers. We are exploring monthly license subscription fees with our inaugural commercial partners, with the understanding that the pilot period will provide more data on increased foot traffic and same-store sales that could lead to additional revenue sharing opportunities on food and beverage, door entry fees, and merchandise.

***A Sample of Super League Experiences on superleague.com***


- National competitions with scholarship prizing
- Play online or in select Microsoft Retail Stores
- Special guest players include digital media influencers with mass audiences/followers


- National weekly LoL tournament
- Play online or in select Microsoft Retail Stores
- Streamed with live commentators on SuperLeagueTV


- Shoutcasted events at Buffalo Wild Wings and theatres
- Live broadcast on SuperLeagueTV


- Spectator experience in theatres
- Live stream of MINECON Earth (Minecraft's annual convention)


- Regular online, free-to-play national tournaments
- Leaderboards aggregated on a daily, monthly, and annual basis


- LoL Season Pass Offer
- 16-city tournament to identify top city
- 12 week experience, online qualifiers, theatre playoffs
- Live broadcast on SuperLeagueTV

**City Club League**

Our City Club League is an integral part of our effort to connect amateur gamers with one another. City Clubs not only enable our seasonal competitions, but also allow us to aggregate our community around our owned and operated clubs serving an unmet desire for amateur players to connect on a local level and exhibit civic pride for esports. Our City Clubs serve as a unifying umbrella across game titles, age groups and skill levels in 16 major metropolitan centers across the U.S., including Chicago, Los Angeles and New York City, with an intention to expand both domestically and internationally in the foreseeable future.

***Super League's City Clubs***


**SuperLeagueTV**

SuperLeagueTV content is a core component of our offer, as well as a binding element connecting players within our local communities. Whether promoting upcoming Super League experiences, engaging players during an event, live streaming the competitive action, producing original video series or recapping the results of a tournament, SuperLeagueTV is dedicated to creating and showcasing novel and intriguing stories that emerge during and in between the over 300,000 hours of gameplay enjoyed by Super Leaguers this year. As a primary distribution channel, SuperLeagueTV launched on Twitch in April 2018, broadcasting from the Super League Gaming esports desk. Following several months of additional testing and development of creative concepts and production techniques enabled by the Super League platform, SuperLeagueTV will feature over 150 hours of gameplay and entertainment programming across multiple game titles per month beginning in October 2018.

*Live Stream Remote Shout-Casting and Gameplay on SuperLeagueTV*


**Brand and Media Partnerships**

The highly sought after Millennial and Generation Z audience is increasingly difficult for brands to reach due to the proliferation of new content distribution channels, ad-blocking technology and a sentiment against overt marketing and promotion. This difficulty is compounded by the limited ways to directly reach gamers, given game publishers control of in-game content. Our ability to uniquely aggregate a diverse membership base across age ranges, skill levels and game titles and can direct authentic brand integrations to our players in a targeted way. We believe that our brand is at the forefront in the mainstreaming of esports, and we stand for inclusive, positive gameplay by providing a positive access point for both endemic and non-endemic brands to enter the category.

Currently, our largest revenue stream comes by way of brand sponsorships and includes multi-year strategic partnerships with Red Bull, Logitech and Nickelodeon. Over time, we expect to extract additional revenue through the monetization of our large volume of distributed content through advertising income. Our brand sponsorship opportunities include:

- Master brand sponsorships covering all appropriate game titles and subscription types, providing our brand partners with promotion opportunities through our online and in-person offerings for targeted, deep engagement along with member benefits specific to the sponsors' products and offers including discounts, free trials, and exclusive content and experiences.

- Tournament and game specific sponsorships, allowing brands to more narrowly target specific age ranges, game genres and other demographic objectives.

- City Club sponsorships, allowing regional and local brands to participate in geo-targeted promotion to cultivate unique gamer lifestyle brands within our City Club metropolitan areas.

- SuperLeagueTV sponsorships enable brands to achieve wider reach through our broadcast distribution channels, including Twitch, Facebook, YouTube and in-venue channels, for both amateur esports players and spectators.

- Tailored experience-specific sponsorships, providing brands with an opportunity to design unique experiences and content for deeper integration and wider media distribution.

It is our intention to have brand and media partnerships across various vertical categories, in order to attract both brands that are already deeply committed to esports and brands just entering the esports space and seeking a mainstream, safe brand partner and entry point.

**Marketing and Member Acquisition**

Prospective members and subscribers are introduced to Super League through seven primary channels that feed our customer funnel, consisting of:

(i) top-tier games titles that provide access to communities in the hundreds of millions;

(ii) continued press and public relations that drives brand awareness;

(iii) generation of interest and audience development through SuperLeagueTV;

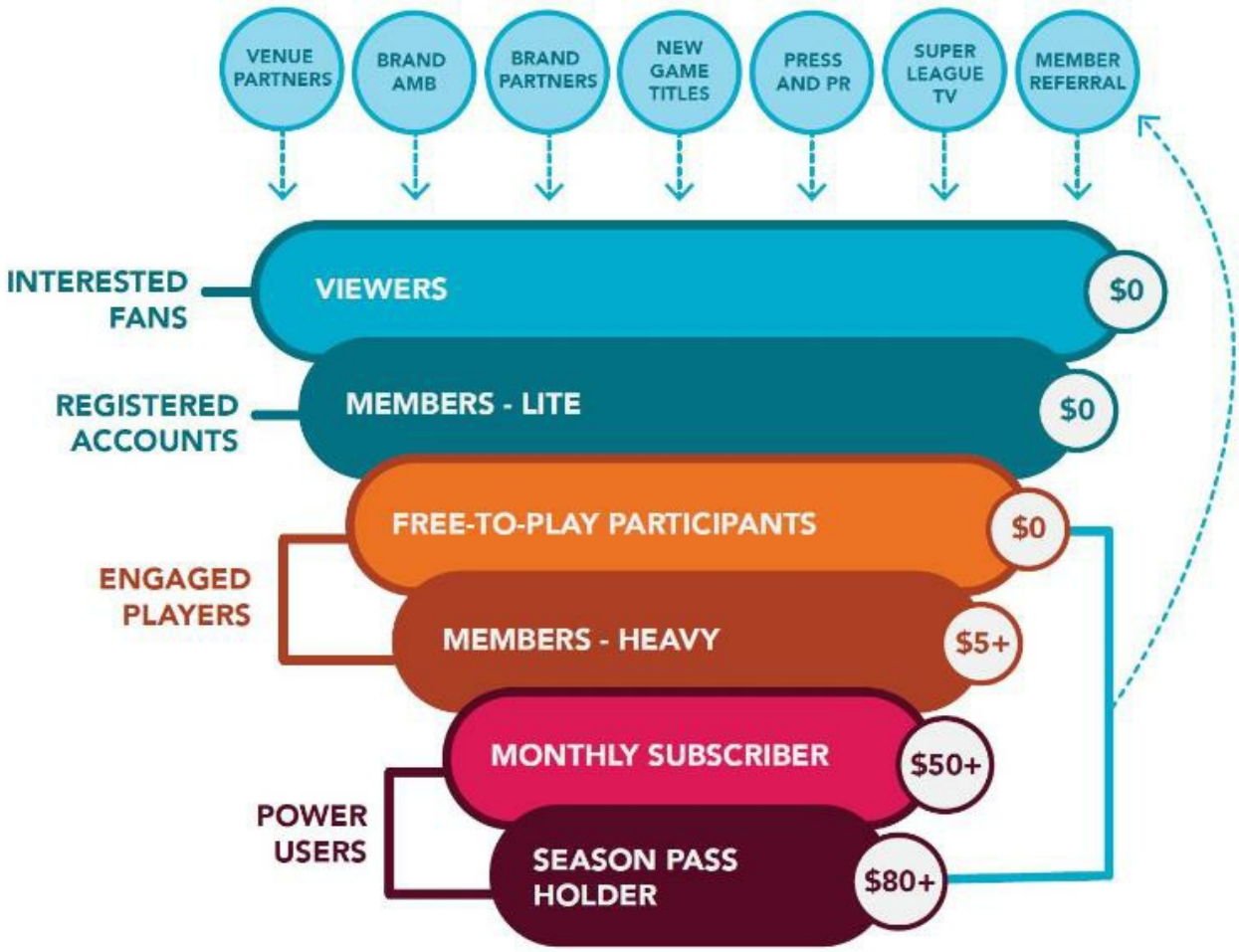
(iv) retail venue partners that provide geographic coverage and access to built-in customer bases;

(v) brand sponsors who amplify our sales and marketing through their own customer and social reach;

(vi) brand ambassadors that drive local, organic word-of-mouth advertising for deeper engagement and loyalty; and

(vii) member referral programs that round out the integral feedback loop for a network effect.

***Our Customer Funnel****




* Dollar amounts equal to annual revenue per individual.

In addition to these channels, we also market our community and platform through in-game promotion, search engine optimization, online advertising, social influencers and e-mail marketing.

Members typically begin their relationship with Super League by viewing content on SuperLeagueTV, registering an email address, and/or by participating in our free-to-play experiences. Members become more engaged by creating a profile to join our network of amateur gamers where they can find and connect with other players by gaming interest, geographic location and other attributes. Membership is free, but we do monetize members as activity grows with one-off paid experiences, merchandise sales, and brand and media sponsorship revenues.

We drive deeper member engagement by offering a 90-day free trial to join our monthly subscription program, which offers frequent gaming experiences, leaderboards, and prizing across all of our game titles along with benefits and discounts from our brand partners. Our monthly subscribers generate between $50.00 and $60.00 in annual revenue per subscriber, and content from these experiences is broadcast daily on SuperLeagueTV, which drives deeper engagement among this player group and serves as a channel to attract new members.

For our most engaged players, we offer a semi-annual season pass subscription for each game title. The format varies among game titles, but our semi-annual season passes offer a combination of online and in-person premium experiences organized around our City Clubs. Due to the more formal team structure and length of season, players often spend more time practicing and communicating with each other, in addition to participating in our organized gaming experiences. Our semi-annual season pass holders generate between $80.00 and $120.00 per year per holder and produce our highest tier of premium amateur gaming content which is featured on SuperLeagueTV as well as brand partner channels. This content attracts the largest viewership among our existing Super League community and provides the greatest exposure to new audiences. In addition, professional esports teams can gain visibility to this pool of experienced amateur players for recruiting purposes.

The key performance indicators ("*KPI*") driving our business model are related to "always on," scalable offers, conversion, and engagement. Our significant growth in 2018 is a function of the advancement of our technology platform, expansion of our in-person and online offer catalogue, and select customer acquisition accelerating our ability to reach and serve a larger target audience with greater frequency.

***Our Customer Key Performance Indicators* ("*KPI*")**

| | | 2015 | 2016 | 2017 | 2018 (Estimated) |
|---|---|---|---|---|---|
| Always On | **Seasons** | 2 | 5 | 3 | 5 |
| | **Venues** | 0 | 4 | 20 | > 100 |
| | **Experiences** | 330 | 900 | 250 | > 1,500 |
| | *(online)* | *(0)* | *(0)* | *(20)* | *(> 200)* |
| Conversion | **Members** | 13,000 | 30,000 | 43,000 | > 200,000 |
| Engagement | **Participations** | 9,000 | 21,000 | 20,000 | > 150,000 |
| | **Gameplay Hours** | 19,000 | 43,000 | 61,000 | > 300,000 |

**Our Strengths**

We differentiate ourselves from potential competition through the power of a pure horizontal platform and established partnerships that enable experiences, community, content and commerce. Our core strengths include the following:

- **Game Publisher Agreements** provide access to existing user bases via strategic partnerships with some of the largest game publishers. These partnerships draw subscription interest and provide a line of defense against our competitors. Our ability to interact with this highly attractive, engaged user base draws brands and sponsors to us to reach this otherwise hard-to-reach demographic.

- **Proprietary and Curated Content** provides us with a unique perspective to amateur competitive gameplay currently absent from the esports ecosystem and is highly complementary and valuable to the needs of large video streaming providers.

- **Patent-Pending Technology** allows for unique, intelligent content capture and visualization to facilitate maximum scale of interactive, in-person gaming, broadcast experience, and content monetization.

- **Over Three Years of Brand and Technology Development** provides us a strong, distinctive lead on followers with no obvious competitors in the holistic community, league operations and media platform category.

- **A Diverse Set of Enterprise and Commercial Revenue Streams** enabled by a pure platform play that protects us from the risk of online-only offers subject to commoditization and advertising revenue dependency.

- **A Growing Member Base** coupled with highly customized gaming and viewing experiences allows us to capture a global, highly engaged, yet somewhat elusive community that will provide many new ways to monetize over time.

- **Creation of Intangible Brand Value** in the quality of our offer, game titles, brand partners and investor base that validates our trusted, premium brand and distinctive positioning to drive value in the fragmented, burgeoning esports landscape.

**Our Growth Strategy**

Our core strategy is to pursue initiatives that promote the viral growth of our member base, and in doing so drive subscription, sponsorships and other new revenue streams. Our customer acquisition and retention funnel provides the primary lens for community growth, engagement and long-term brand equity.

- **Member Growth and Network Effect** is driven organically through direct marketing, partner and influencer promotion, and search engine optimization. We believe the most efficient member acquisition will come through word of mouth and referral programs leading to a declining customer acquisition cost ("*CAC*") and accretive life time value ("*LTV*") over time.

- **Mutually Beneficial Relationships with Game Publishers,** along with our game-agnostic platform interface, allow us to access large, built-in customer bases from game titles amassing access to hundreds of millions of MAU and offering enhanced competitive gameplay experiences to deepen their connection to the game titles.

- **Strategic Retail Venue Partnerships** allow us to reach domestic and international scale by leveraging the infrastructure, operations and marketing efforts of our retail venue partners to create daily, weekly and monthly in-person experiences with amateur gamers to drive more membership and competitive gameplay through our platform.

- **Brand and Media Partnerships** extend the utility of our platform by leveraging the broadcast, social and customer loyalty programs of our brand and media partners to extend our audience reach and drive more gamers and viewers into the top of our funnel.

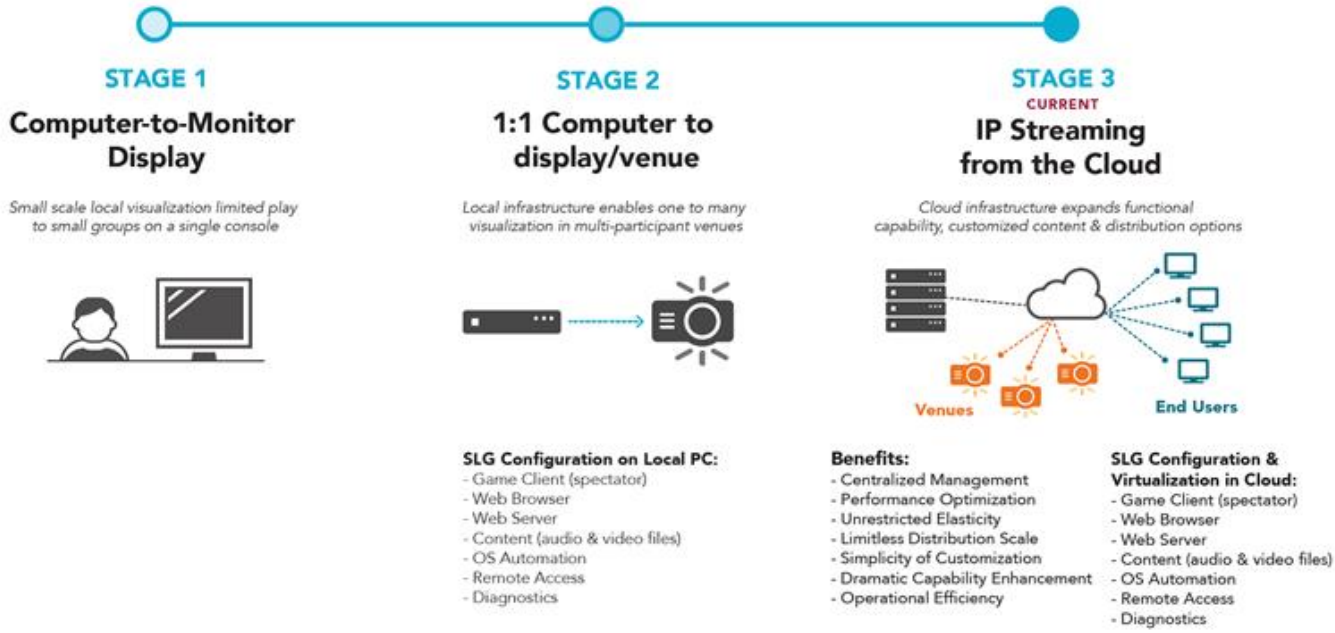
- **International Expansion,** as we continue to prove the model domestically, will enable us to access the massive global scale of gamers worldwide and unlock greater brand partnership and media rights revenue opportunities through global audience development.

- **Key Stakeholder Tools** including a game publisher software development kit (*"SDK"*) and customer marketplace portals for players, tournament organizers and venue operators will scale and distribute Super League experiences in a highly automated way with low marketing and operating costs.

- **Opportunistic Acquisitions** allow us to add complementary users, revenues, and/or technology components to accelerate our amateur esports member adoption and further enhance our competitive gameplay experiences.

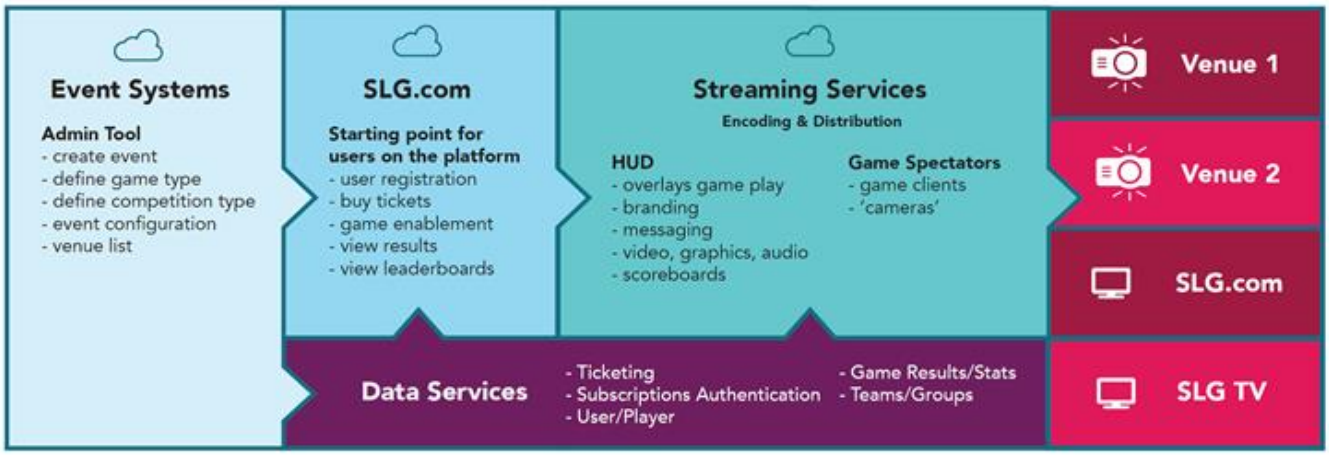
**Technology Infrastructure**

Early in our inception, we utilized a local hardware solution to create interactive physical spaces, allowing amateur competitive gamers a new way to interact with their games, fellow players and our distinctive and proprietary HUD for a unique entertainment and spectating experience. We have since moved our platform to the cloud for scale, and now offer a wide use of our platform to operate Super League experiences, both online and in-person, by leveraging the infrastructure, operations and marketing of an established retail venue network. The following illustrates the evolution of our platform and current cloud-based state:



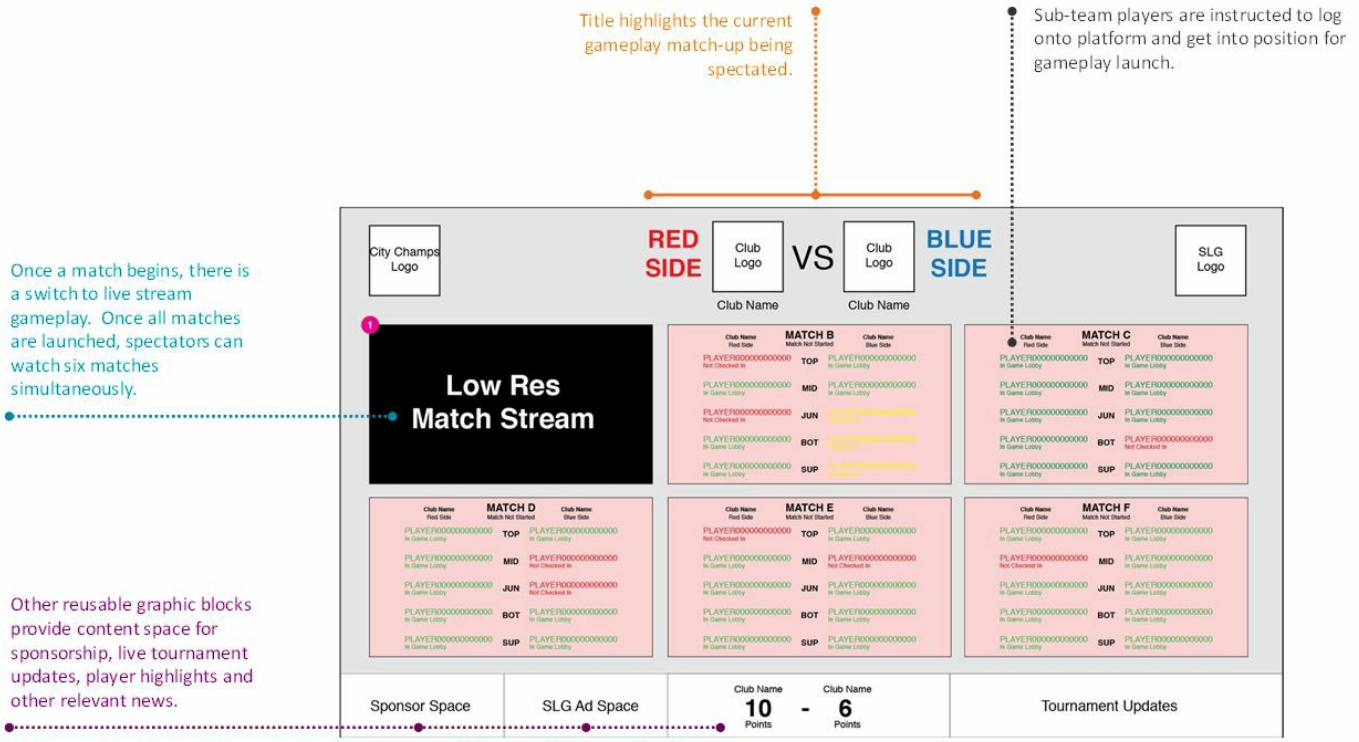

Our technology platform represents an important intellectual property asset for our Company. It consists of various custom developed components that come together in uniquely configured ways to deliver scalable competitions, experiences and content opportunities.

The components of our platform include, among other things, user management, event management, event operations, data services, streaming, ecommerce, and user statistics and leaderboards. These components share several data sources and enables us to offer a wide variety of gameplay experiences across multiple environments, often simultaneously, with a vast array of resulting content publishing opportunities. Our platform also provides tools to distribute and leverage content, as well as tools around platform administration. The following illustrates our comprehensive cloud-based tournament and broadcast toolset:




Our proprietary visualization and broadcast system, which provides compelling live stream content delivery, automates and scales various gameplay processes and functions that would otherwise need to be accomplished manually. These processes and functions primarily include ways to ensure that visualizations of gameplay and other value-added data and graphics are both captured and delivered efficiently and timely. For example, our proprietary software is used during our experiences ensures that we are showing the most interesting aspects of gameplay, as well as switching to matches that are most relevant to the competition. Further, we use computer vision to glean key events, graphics or data from the game screen, especially when the game publisher might not make such information available via an application programming interface ("*API*"). We intend to continue to invest in and improve upon our use of computer vision in our technology platform, so that we can mitigate our dependency on game publishers providing certain APIs and toolsets, and continue to provide differentiated gameplay and spectating experiences.

As we evolve our technology, we will launch simultaneous gameplay that will allow players and spectators to watch multiple live streams at once, as illustrated below:


Title highlights the current gameplay match-up being spectated.
Sub-team players are instructed to log onto platform and get into position for gameplay launch.
Once a match begins, there is a switch to live stream gameplay. Once all matches are launched, spectators can watch six matches simultaneously.
Other reusable graphic blocks provide content space for sponsorship, live tournament updates, player highlights and other relevant news.
City Champs Logo
RED SIDE
Club Logo
Club Name
VS
Club Logo
Club Name
BLUE SIDE
SLG Logo
Low Res Match Stream
MATCH B
MATCH C
MATCH D
MATCH E
MATCH F
TOP
MID
JUN
BOT
SUP
Sponsor Space
SLG Ad Space
Club Name
10
Points
-
Club Name
6
Points
Tournament Updates

**Intellectual Property and Patents**

Similar to other interactive entertainment and esports companies, our business depends heavily on the creation, acquisition, licensing, use and protection of intellectual property. We have developed and own various intellectual properties, including pending and issued trademarks, patents and copyrights. For example, each of our City Clubs have pending trademarks related to naming and logo. We also have obtained licenses to valuable intellectual property with game publishers. We leverage these licenses and service agreements to operate online and location-based competitions, and in parallel, use them to generate a wide array of content.

To protect our intellectual property, we rely on a combination of patent applications, copyrights, pending and issued trademarks, confidentiality provisions and procedures, other contractual provisions, trade secret laws and restrictions on disclosure. We intend to vigorously protect our technology and proprietary rights; however, no assurances can be given that our efforts will be successful. Even if our efforts are successful, we may incur significant costs in defending our rights. From time to time, third parties may initiate litigation against us alleging infringement of their proprietary rights or claiming they have not infringed our intellectual property rights. See the section entitled "*Risk Factors*" for additional information regarding the risks we face with respect to litigation related to intellectual property claims. As of the date hereof, we have filed three patent applications, all of which are currently pending, and various trademark applications, some granted and most of which are currently pending, covering our technologies and brands, as more specifically set forth below. We intend to file additional applications for the grant of patents and registration of our trademarks in the United States and foreign jurisdictions as our business expands.

Our patent applications relate to creating unique, place-based, visual experiences. These experiences manifest via display by web stream of gameplay in combination with related textual, graphical and video content targeted for consumption by players and spectators alike. In order to achieve visualization of certain games, specifically Minecraft and Clash Royale, we have developed technology that places a "managed" character into these games solely for the purpose of sharing the first-person perspective that is created. We also filed a provisional patent protecting bleeding edge virtualization technologies that allow us to heedlessly visualize from the cloud. Instead of requiring complex and expensive local installation of hardware to enable the place-based experience, we use this technology to create web streams of all gameplay and supplementary content. The effect of this capability is to dramatically reduce the barrier to entry for venues of all types to participate in Super League experiences.

**Operations**

With over 2,000 experiences completed since 2015, we have a broad understanding of the requirements to deliver online and in-person competitions from an operations, technology and customer support perspective. With our national venue fleet and contractor network, we established training and protocols for new brand ambassadors and venue operators for scale. Our operations network includes the following:

- ***Action Squad*** serves as an extension of Super League's experience team and is responsible for managing logistics at local venues and facilitating an engaging and fair player experience. The team, comprised of approximately 150 contract-based members, has been interviewed and trained by Super League. In addition, we manage staffing and ongoing communication with Microsoft's StaffHub, and have developed a proprietary mobile app to manage logistics (including player check-in) and communication to our Network Operations Center ("*NOC*") during in-person experiences.

- ***Our Customer Service Team*** uses Zendesk to manage customer inquiries that come from various channels including email, web forms, and Facebook. We run a 24-hour email and ticketing escalation system and support live chat during normal business hours and experiences. Our customer service team includes on-site staff and remote contractors that can scale based on the number of simultaneous gameplay experiences.

- ***The NOC*** is equipped with tools to streamline issue resolution while accommodating a large volume of simultaneous gameplay experiences. All locations are set up with remote monitoring of the LAN and player device performance alerting for real-time customer service and technical escalations. The technicians are scaled on demand depending on the number of experiences run simultaneously using remote, real-time network and tournament monitoring.

**Our Values and Company Culture**

Super League is a player-first company, a credo embraced by every employee. We are committed to enhancing and celebrating the player experience by providing gameplay formats, competitive frameworks, technical stability, content, information and customer support that exceed player expectations.

Having produced more than 2,000 experiences over more than two years in locations ranging from movie theatres to restaurants, and retail stores to LAN centers to esports arenas, Super League specializes in delivering positive experiences to a wide range of demographic audiences that bring players and their families and friends a sense of genuine belonging to a peer group that understands them and shares their passions.

**Employees and Labor Relations**

As of June 30, 2018, we had 38 full-time and full-time equivalent employees. Additionally, we occasionally enter into agreements with contractors, on an as-needed basis, to perform certain services. As of June 30, 2018, two of our full-time employees were subject to fixed-term employment agreements with us, and all other employees served at-will pursuant to the terms set forth in their offer letters.

We believe that we maintain a good working relationship with our employees, and we have not experienced any labor disputes. None of our employees are represented by labor unions.

**Governmental Regulation**

Our online gaming platforms, which target individuals ranging from elementary school age children to adults, are subject to laws and regulations relating to privacy and child protection. Through our website, online platforms and in person gaming activities we may monitor and collect certain information about child users of these forums. A variety of laws and regulations have been adopted in recent years aimed at protecting children using the internet, such as COPPA. COPPA sets forth, among other things, a number of restrictions related to what information may be collected with respect to children under the age of 13, as the kinds of content that website operators may present to children under such age. There are also a variety of laws and regulations governing individual privacy and the protection and use of information collected from individuals, particularly in relation to an individual's personally identifiable information (e.g., credit card numbers).

We are also subject to a number of other foreign and domestic laws and regulations that affect companies conducting business on the Internet. In addition, laws and regulations relating to data collection, retention, electronic commerce, virtual items and currency, consumer protection, content, advertising, localization and information security have been adopted or are being considered for adoption by many countries throughout the world, and such laws may have an impact on our business.

**Cost of Compliance with Environmental Laws**

We have not incurred any costs associated with compliance with environmental regulations, nor do we anticipate any future costs associated with environmental compliance; however, no assurances can be given that we will not incur such costs in the future.

**Facilities**

Our executive offices are located in approximately 4,965 square feet of office space at 2906 Colorado Avenue, Santa Monica, California 90404, which we occupy under a month-to-month lease agreement at $19,734 per month. In addition, we have recently leased an additional 1,650 square feet on a month-to-month basis in the same complex to serve as a content studio at $5,197 per month.

We anticipate no difficulty in extending the leases of our facilities or obtaining comparable facilities in suitable locations, as needed, and we consider our facilities to be adequate for our current needs.

**Legal Proceedings**

As of the date hereof, we are not a party to any material legal or administrative proceedings. There are no proceedings in which any of our directors, executive officers or affiliates, or any registered or beneficial stockholder, is an adverse party or has a material interest adverse to our interest. We may from time to time be subject to various legal or administrative claims and proceedings arising in the ordinary course of business. Litigation or any other legal or administrative proceeding, regardless of the outcome, is likely to result in substantial cost and diversion of our resources, including our management's time and attention.

## MANAGEMENT

### Executive Officers and Directors

The following table sets forth the names, ages, and positions of our executive officers, directors and significant employees as of the date of this prospectus.

| Name | Age | Position |
|---|---|---|
| **Executive Officers and Directors:** | | |
| Ann Hand | 49 | Chief Executive Officer, President, Chair of the Board |
| David Steigelfest | 51 | Chief Product and Technology Officer, Director |
| Clayton Haynes | 49 | Chief Financial Officer |
| Matt Edelman | 48 | Chief Commercial Officer |
| John Miller | 39 | Director |
| Jeff Gehl | 50 | Director |
| Robert Stewart | 51 | Director |
| Marc Cummins | 59 | Director |
| **Significant Employees:** | | |
| Andy Babb | 49 | Executive Vice President of Game Partnerships |
| Anne Gailliot | 41 | Chief of Staff, Vice President of Special Projects |

There are no arrangements or understandings between our Company and any other person pursuant to which he or she was or is to be selected as a director, executive officer or nominee. Ms. Hand, our President and Chief Executive Officer, is a first cousin of Mr. Gehl, a member of our Board. There are no other family relationships among any of our directors or executive officers. To the best of our knowledge, none of our directors or executive officers have, during the past ten years, been involved in any legal proceedings described in subparagraph (f) of Item 401 of Regulation S-K.

***Executive Officers***

**Ann Hand**
*Chief Executive Officer, President, Chair of the Board*

Ms. Hand has served as our Chief Executive Officer, President and Chair of our Board since June 2015. Over the past 20 years, Ms. Hand has served as a market-facing executive with a track record in brand creation and turn- around with notable delivery at the intersection of social impact with consumer trends and technology to create bold offers, drive consumer preference and deliver bottom line results. Prior to joining the Company, from 2009 to 2015, Ms. Hand served as Chief Executive Officer and as a director of Project Frog, a venture-backed firm with a mission to democratize healthy, inspired buildings that are better, faster, greener, and more affordable than traditional construction. From 1998 through 2008, Ms. Hand served in various senior executive positions with BP plc, including Senior Vice President, Global Brand Marketing & Innovation from 2005 to 2008, during which time she lead many award-winning integrated marketing campaigns and oversaw the entire brand portfolio of B2C and B2B brands, including BP, Castrol, Arco, am/pm and Aral. Additionally, she served as Chief Executive, Global Liquefied Gas Business Unit with full P&L accountability across 15 countries and 3,000 staff, covering operations, logistics, sales and marketing with over $3 billion in annual revenue. Ms. Hand was recognized by Goldman Sachs - “100 Most Intriguing Entrepreneurs” in 2014, by Fortune - “Top 10 Most Powerful Women Entrepreneurs” in 2013, and Fast Company – “100 Most Creative People” in 2011. Ms. Hand earned a BA in Economics from DePauw University, an MBA from Northwestern’s Kellogg School of Management, and completed executive education at Cambridge, Harvard and Stanford Universities.

**David Steigelfest**
*Chief Product and Technology Officer, Director*

Mr. Steigelfest co-founded the Company in 2014, and has served as a director on our Board since that time. In addition, Mr. Steigelfest served has our Chief Product and Technology Officer since May 2018. An attorney by education, David has served as an executive and entrepreneur in the digital and technology space for more than 20 years. Prior to co-founding the Company in 2014, Mr. Steigelfest founded rbidr LLC, a media and technology startup and a pioneer in yield management and price optimization software, where he served as Chief Executive Officer from 2008 to 2013. From 2013 to 2014, Mr. Steigelfest worked for Cosi Consulting, where he provided management consulting services ranging from complex project management, PMO, software design, 3rd party software integration and migration, enterprise content management, data management and system-based regulatory compliance to various Fortune 500 companies. From 2001 to 2008, Mr. Steigelfest worked on Wall Street at Deutsche Bank, where he oversaw various multi-million-dollar change management projects. In addition, Mr. Steigelfest previously served as Vice President of eCommerce at Starguide Digital Networks, where he had responsibility over the streaming media portal, CoolCast. CoolCast utilized satellite technology to distribute high quality streaming content into multi-cast enabled networks bypassing Internet bottlenecks. Prior to Starguide, Mr. Steigelfest served as the Director of Product Management at Gateway Computers, where he oversaw Gateway.com and Gateway's business-to-business extranet system, eSource. In addition, Mr. Steigelfest has consulted for companies of all sizes throughout his career addressing a wide variety of IT and business challenges, including complex business process change, software implementation and e-commerce. Mr. Steigelfest received a BA in International Relations and Psychology from Syracuse University, and a JD with an emphasis in business transactions and business law from Widener University School of Law.

**Clayton Haynes**
*Chief Financial Officer*

Mr. Haynes was appointed as our Chief Financial Officer in August 2018. From 2001 to August 2018, Mr. Haynes served as Chief Financial Officer, Senior Vice President of Finance and Treasurer of Acacia Research Corporation (NASDAQ: ACTG), an industry-leading intellectual property licensing and enforcement and technology investment company. Mr. Haynes is a party to a transition related consulting agreement with Acacia Research Corporation that expires on January 1, 2019. From 1992 to March 2001, Mr. Haynes was employed by PricewaterhouseCoopers LLP, ultimately serving as a Manager in the Audit and Business Advisory Services practice, where he provided and managed full scope financial statement audit and business advisory services for public and private company clients with annual revenue ranging from $1 million to $1 billion in a variety of sectors, including manufacturing, distribution, oil and gas, engineering, aerospace and retail. Mr. Haynes received a BA in Economics and Business/Accounting from the University of California at Los Angeles, an MBA from the University of California at Irvine Paul Merage School of Business, and is a Certified Public Accountant (Inactive).

**Matt Edelman**
*Chief Commercial Officer*

Mr. Edelman oversees the Company's revenue, marketing, content, creative services and business development activities, and has served as our Chief Commercial Officer since July 2017. Mr. Edelman is the owner of PickTheBrain, a leading digital self-improvement business, a board member and marketing committee member of the Epilepsy Foundation of Greater Los Angeles, and has over 20 years of experience working in the digital and traditional media and entertainment industries. Since 2001, he has served as an advisor and consultant to numerous digital and media companies, including, amongst others, Nike, Marvel, MTV, Sony Pictures, 20th Century Fox and TV Guide. Prior to joining the Company, from 2014 to 2017, Mr. Edelman served as the Head of Digital Operations and Marketing Solutions at WME-IMG (now Endeavor), where he was responsible for several areas, including digital audience and revenue growth through content, social media and paid customer acquisition across the company's global live events business within sports, fashion culinary and entertainment verticals; digital marketing services for consumer brands, college athletics programs and talent; and management of direct-to-consumer digital content businesses, including both eSports and Fashion OTT properties. From 2010 to 2013, Mr. Edelman served as the Chief Executive Officer of Glossi (previously ThisNext), an authoring platform enabling individuals to create their own digital magazines. Previously, Mr. Edelman also founded and/or served in executive positions at multiple early stage digital media companies. Mr. Edelman earned a BA in Politics from Princeton University.

**Board of Directors**

**Ann Hand**
*Chief Executive Officer, President, Chair of the Board*

Please see Ms. Hand's biography in the preceding section under the heading "*Executive Officers*".

Ms. Hand's extensive background in corporate leadership and her practical experience in brand creation and turn- around directly align with the Company's focus, and ideally position her to make substantial contributions to the Board, both as Chair of the Board and as the leader of the Company's executive team.

**David Steigelfest**
*Chief Product and Technology Officer, Director*

Please see Mr. Steigelfest's biography in the preceding section under the heading "*Executive Officers*".

As a co-founder of the Company and a lead developer of the Company's platform, Mr. Steigelfest provides the Board with critical insight into the technological aspects of the Company's operations and the ongoing development of the platform, attributes that make Mr. Steigelfest a particularly valued member of the Board.

**John Miller**
*Director*

Mr. Miller co-founded the Company in 2014, and has served as a director on the Company's Bord since its inception. In addition, Mr. Miller founded and has served as Chief Executive Officer and Chairman of Cali Group, a holding company with ownership positions in various companies focused on the development of new technologies for the restaurant and retail industries and a significant investor in the Company, since 2011. Prior to founding Cali Group, Mr. Miller worked for Arrowhead Pharmaceuticals, Inc. (NASDAQ: ARWR), where he was responsible for the formation, growth and the ultimate sale of Arrowhead's electronics business unit. From 2005 to 2010, Mr. Miller served as Vice President of Intellectual Property at Undiym, Inc. (formerly, Nanopolaris, Inc.), which he also founded. Mr. Miller is an author of The Handbook of Nanotechnology Business, Policy, and Intellectual Property Law, as well as various other publications related to nanomaterials and nanoscale electronics. He obtained a undergraduate degree from University of Redlands and graduated Order of the Coif from Stanford Law School.

Mr. Miller's focus on the development of new technologies and his involvement with the Company since inception has significantly supported the Board's perspective during the early stages of the development of the Company's platform, and are key assets to the Board as the Company looks to scale the utilization of its technology. In addition, as Director of CaliBurger, one of the Company's largest stockholders, also provides the perspective of a significant investor in the Company. Mr. Miller serves as chairman of the Nominating and Governance Committee, and a member of the Compensation Committee.

**Jeff Gehl**
*Independent Director*

Mr. Gehl has served as a Director of the Company since 2015. Mr. Gehl is a Co-Owner at VLOC LLC. Since 2001, Mr. Gehl has been a Managing Partner of RCP Advisors. Mr. Gehl is responsible for leading RCP's client relations function and covering private equity fund managers in the Western United States. He is a General Partner of BKM Capital Partners, L.P. Previously, Mr. Gehl was an Advisor at Troy Capital Partners till 2018. In addition, Mr. Gehl founded and served as Chairman and Chief Executive Officer of MMI, a technical staffing company, and acquired Big Ballot, Inc., a sports marketing firm. He currently serves as a Director of P10 Industries, Inc., as Directors of Veritone, Inc. (NASDAQ: VERI) and an Advisory Board member of several of RCP's underlying funds, as well as Accel-KKR and Seidler Equity Partners. Mr. Gehl was the Manager of VLOC. Mr. Gehl received the 1989 "Entrepreneur of the Year" award from University of Southern California's Entrepreneur Program. He obtained a B.S. in Business Administration from the University of Southern California's Entrepreneur Program.

Mr. Gehl's wide range of experience in in financing, developing and managing high-growth technology companies, as well as his entrepreneurial experience, has considerably broadened the Board's perspective, particularly as the Company engaged in capital raising activities to fund the early stages of its development. Mr. Gehl also serves as our Board-designated "audit committee financial expert" as chairman of the Audit Committee. Mr. Gehl also serves as a member of the Nominating and Governance Committee.

**Robert Stewart**
*Independent Director*

Mr. Stewart has served as a director of on the Company's Board since October 2014. From 1997 to August 2018, Mr. Stewart served in various executive officer roles with Acacia, including as Vice-President of Corporate Finance and Senior Vice-President, Corporate Finance and Investor Relations. Prior to joining Acacia, Mr. Stewart served as President of Macallan, Dunhill & Associates, a private investment fund. Mr. Stewart received a BS in Economics from the University of Colorado at Boulder.

Mr. Stewart's 11 years in various executive officer roles of a public company brings extensive leadership experience and public company expertise to our Board, experience that will be invaluable to the Board following the Company becomes a public company following the completion of its initial public offering. Mr. Stewart also serves as a member of our Audit Committee, chairman of our Compensation Committee, and a member of our Nominating and Governance Committee.

**Marc Cummins**
*Independent Director*

Mr. Cummins has served as a Director of the Company since 2017. Mr. Cummins is a managing partner of Prime Capital, LLC, a private investment firm focused on consumer companies co-founded by Mr. Cummins. Prior to founding Prime Capital, Mr. Cummins was managing partner of Catterton Partners, a private equity investor in consumer products and service companies with more than $1 billion of assets under management. Prior to joining Catterton in 1998, Mr. Cummins spent fourteen years at Donaldson, Lufkin & Jenrette Securities Corporation where he was managing director of the Consumer Products and Specialty Distribution Group, and was also involved in leveraged buyouts, private equity and high yield financings. Mr. Cummins received a B.A. in Economics, magna cum laude, from Middlebury College, where he was honored as a Middlebury College Scholar and is a member of Phi Beta Kappa. He also received an M.B.A. in Finance with honors from The Wharton School at University of Pennsylvania.

Mr. Cummins' long-standing background in investments and private equity has considerably strengthened the Board. In addition, his leadership, knowledge and experience have enhanced the Board's perspective.

***Significant Employees***

**Andy Babb**
*Executive Vice President of Game Partnerships*

Mr. Babb overseas the Company's game strategy and publisher and developer relationships, and has served as our Executive Vice President of Game Partnerships since September 2015. Prior to joining the Company, from 2007 to 2015, Mr. Babb served as President of Brandissimo, Inc., the company that created and developed NFL RUSH, including NFL RUSH Zone, a multiplayer online virtual game world, and over 100 NFL video games and apps. From 2006 to 2007, Mr. Babb served as the President of Infusio-NA, a French mobile video game publisher, and for ten years prior to that, he managed business development for Take Two Interactive, 2K Games and SegaSoft. Throughout his career, Mr. Babb has published over 200 video games across console, handheld, PC, online and mobile platforms. He earned a BA in Communications Studies from the University of California Los Angeles and an MBA from Stanford University.

**Anne Gailliot**
*Chief of Staff, Vice President of Special Projects*

Ms. Gailliot has served as our Chief of Staff since July 2015, as well as our Vice President of Special Projects since 2016. She provides oversight to strategic programs and partnerships, ranging from theatre relationships, the development of a national contracted workforce, our after school programs, and end-to-end live event execution. Prior to joining the Company, Ms. Gailliot served as Chief of Staff of Project Frog from 2007 to 2015, where she led strategic and financial planning and supported supply chain optimization. Before pursuing a graduate degree, Anne spent several years at the National Trust for Historic Preservation managing grant programs, community advocacy efforts, and local leadership development initiatives for the western region. Ms. Gailliot earned a BA in Art History from Princeton University and an MBA from University of Pennsylvania – the Wharton School.

**Board Composition and Election of Directors**

***Board Composition***

Our Board currently consists of six members. Each of our directors serve until the next annual meeting of stockholders, until his successor is elected and duly qualified, or until his earlier death, resignation or removal. Our Board is authorized to appoint persons to the offices of Chair of the Board of Directors, Vice Chair of the Board of Directors, Chief Executive Officer, President, one or more Vice Presidents, Chief Financial Officer, Treasurer, one or more Assistant Treasurers, Secretary, one or more Assistant Secretaries, and such other officers as may be determined by the Board. The Board may also empower the Chief Executive Officer, or in absence of a Chief Executive Officer, the President, to appoint such other officers and agents as our business may require. Any number of offices can be held by the same person.

***Director Independence***

Our Board has determined that three of its directors qualify as independent directors, as determined in accordance with the rules of the Nasdaq Stock Market. Under the applicable listing requirements of the Nasdaq Capital Market, we are permitted to phase in our compliance with the majority independent board requirement of the Nasdaq Stock Market rules within one year of our listing on Nasdaq. The director independence definition under the Nasdaq Stock Market rule includes a series of objective tests, including that the director is not, and has not been for at least three years, one of our employees and that neither the director nor any of his family members has engaged in various types of business dealings with us. In addition, as required by Nasdaq Stock Market rules, our Board has made a subjective determination as to each independent director that no relationships exist, which, in the opinion of our Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In making these determinations, our Board reviewed and discussed information provided by the directors and us with regard to each director's business and personal activities and relationships as they may relate to us and our management.

Ms. Hand, our President and Chief Executive Officer, is a first cousin of Mr. Gehl, a member of our Board. There are no other family relationships among any of our directors or executive officers.

**Role of Board in Risk Oversight Process**

Our Board has responsibility for the oversight of the Company's risk management processes and, either as a whole or through its committees, regularly discusses with management our major risk exposures, their potential impact on our business, and the steps we take to manage them. The risk oversight process includes receiving regular reports from Board committees and members of senior management to enable our Board to understand our risk identification, risk management and risk mitigation strategies with respect to areas of potential material risk, including operations, finance, legal, regulatory, strategic and reputational risk.

Our audit committee reviews information regarding liquidity and operations, and oversees our management of financial risks. Periodically, our audit committee reviews our policies with respect to risk assessment, risk management, loss prevention and regulatory compliance. Oversight by the audit committee includes direct communication with our external auditors, and discussions with management regarding significant risk exposures and the actions management has taken to limit, monitor or control such exposures. Our compensation committee is responsible for assessing whether any of our compensation policies or programs has the potential to encourage excessive risk-taking. Matters of significant strategic risk are considered by our Board as a whole.

**Board Committees and Independence**

Our Board has established the following three standing committees: audit committee, compensation committee, and nominating and governance committee. Our Board has adopted written charters for each of these committees. Upon completion of this offering, we intend to make each committee's charter available under the Corporate Governance section of our website at www.superleague.com/corporategovernance. The reference to our website address does not constitute incorporation by reference of the information contained at or available through our website, and you should not consider it to be a part of this prospectus.

***Audit Committee***

Our audit committee is comprised of Jeff Gehl, who serves as the committee chair, and Robert Stewart. The audit committee's main function is to oversee our accounting and financial reporting processes and the audits of our financial statements. Pursuant to its charter, the audit committee's responsibilities include, among other things:

- appointing, compensating, retaining, evaluating, terminating, and overseeing our independent registered public accounting firm;
- reviewing with our independent registered public accounting firm the scope and results of their audit;
- approving the audit and non-audit services to be performed by our independent registered public accounting firm;
- evaluating the qualifications, independence and performance of our independent registered public accounting firm;
- reviewing the design, implementation, adequacy and effectiveness of our internal accounting controls and our critical accounting policies;
- reviewing and discussing our annual audited financial statements and quarterly financial statements with management and the independent auditor, including our disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," prior to the release of such information;
- reviewing and reassessing the adequacy of the audit committee's charter, at least annually;
- reviewing, overseeing and monitoring the integrity of our financial statements and our compliance with legal and regulatory requirements as they relate to financial statements or accounting matters;
- reviewing on a periodic basis, or as appropriate, our policies with respect to risk assessment and management, and our plan to monitor, control and minimize such risks and exposures, with the independent public accountants, internal auditors, and management;
- reviewing any earnings announcements and other public announcements regarding our results of operations;
- preparing the report that the SEC requires in our annual proxy statement, upon becoming subject to the Exchange Act;
- complying with all preapproval requirements of Section 10A(i) of the Exchange Act and all SEC rules relating to the administration by the audit committee of the auditor engagement to the extent necessary to maintain the independence of the auditor as set forth in 17 CFR Part 210.2-01(c)(7);
- administering the policies and procedures for the review, approval and/or ratification of related party transactions involving the Company or any of its subsidiaries; and
- making such other recommendations to the Board on such matters, within the scope of its function, as may come to its attention and which in its discretion warrant consideration by the Board.

Our Board has affirmatively determined that all members of our audit committee meet the requirements for independence and financial literacy under the applicable rules and regulations of the SEC and the Nasdaq. Our Board has determined that Mr. Gehl qualifies as an "audit committee financial expert" as defined by applicable SEC rules and has the requisite financial sophistication as defined under the applicable Nasdaq rules and regulations. The audit committee operates under a written charter that satisfies the applicable standards of the SEC and Nasdaq.

***Compensation Committee***

Our compensation committee is comprised of Robert Stewart, who serves as the committee chair, and John Miller. The compensation committee's main function is to assist our Board in the discharge of its responsibilities related to the compensation of our executive officers. Pursuant to its charter, the compensation committee is primarily responsible for, among other things:

- reviewing our compensation programs and arrangements applicable to our executive officers, including all employment-related agreements or arrangements under which compensatory benefits are awarded or paid to, or earned or received by, our executive officers, and advising management and the Board regarding such programs and arrangements;
- reviewing and recommending to the Board the goals and objectives relevant to CEO compensation, evaluating CEO performance in light of such goals and objectives, and determining CEO compensation based on the evaluation;
- retaining, reviewing and assessing the independence of compensation advisers;
- monitoring issues associated with CEO succession and management development;
- overseeing and administering our equity incentive plans;
- reviewing and making recommendations to our Board with respect to compensation of our executive officers and senior management;
- reviewing and making recommendations to our Board with respect to director compensation;
- endeavoring to ensure that our executive compensation programs are reasonable and appropriate, meet their stated purpose (which, among other things, includes rewarding and creating incentives for individuals and Company performance), and effectively serve the interests of the Company and our stockholders; and
- upon becoming subject to the Exchange Act, preparing and approving an annual report on executive compensation and such other statements to stockholders which are required by the SEC and other governmental bodies.

***Nominating and Governance Committee***

Our nominating and governance committee is comprised of John Miller, who serves as the committee chair, Jeff Gehl, and Robert Stewart. Pursuant to its charter, the nominating and governance committee is primarily responsible for, among other things:

- assisting the Board in identifying qualified candidates to become directors, and recommending to our Board nominees for election at the next annual meeting of stockholders;
- leading the Board in its annual review of the Board's performance;
- recommending to the Board nominees for each Board committee and each committee chair;
- reviewing and overseeing matters related to the independence of Board and committee members, in light of independence requirement of Nasdaq and the rules and regulations of the SEC;
- overseeing the process of succession planning of our CEO and other executive officers; and
- developing and recommending to the Board corporate governance guidelines, including our Code of Business Conduct, applicable to the Company.

**Board Diversity**

Upon the closing of this offering, our nominating and governance committee will be responsible for reviewing with the Board, on an annual basis, the appropriate characteristics, skills and experience required for the Board as a whole and its individual members. In evaluating the suitability of individual candidates (both new candidates and current members), the nominating and governance committee, in recommending candidates for election, and the Board, in approving (and, in the case of vacancies, appointing) such candidates, will take into account many factors, including the following:

- personal and professional integrity, ethics and values;
- experience in corporate management, such as serving as an officer or former officer of a publicly-held company;
- experience as a board member or executive officer of another publicly-held company;
- strong finance experience;
- diversity of expertise and experience in substantive matters pertaining to our business relative to other board members;
- diversity of background and perspective, including, but not limited to, with respect to age, gender, race, place of residence and specialized experience;
- experience relevant to our business industry and with relevant social policy concerns; and
- relevant academic expertise or other proficiency in an area of our business operations.

Currently, our Board evaluates, and following the closing of this offering will evaluate, each individual in the context of the Board as a whole, with the objective of assembling a group that can best maximize the success of the business and represent stockholder interests through the exercise of sound judgment using its diversity of experience in these various areas.

**Compensation Committee Interlocks and Insider Participation**

None of the members of our Compensation Committee, at any time, have been one of our officers or employees. None of our executive officers currently serves, or in the past year has served, as a member of the board of directors or compensation committee of any other entity that has one or more executive officers on our Board of Directors or compensation committee.

**Code of Business Conduct and Ethics**

We have adopted a Code of Business Conduct and Ethics applicable to our employees, officers and directors. Upon completion of this offering, we intend to make our Code of Business Conduct and Ethics available under the Corporate Governance section of our website at www.superleague.com/corporategovernance/. The reference to our website address does not constitute incorporation by reference of the information contained at or available through our website, and you should not consider it to be a part of this prospectus. We intend to disclose any future amendments to certain provisions of our Code of Business Conduct and Ethics, or waivers of these provisions, on our website or in our filings with the SEC under the Exchange Act.

**Limitation of Liability and Indemnification**

Our certificate of incorporation, as amended and restated ("*Charter*"), and our amended and restated bylaws ("*Bylaws*") provide the indemnification of our directors and officers to the fullest extent permitted under the Delaware General Corporation Law ("*DGCL*"). In addition, the Charter provides that our directors shall not be personally liable to us or our shareholders for monetary damages for breach of fiduciary duty as a director and that if the DGCL is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of our directors shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended.

As permitted by the DGCL, we have entered into or plan to enter into separate indemnification agreements with each of our directors and certain of our officers that require us, among other things, to indemnify them against certain liabilities which may arise by reason of their status as directors, officers or certain other employees. We expect to obtain and maintain insurance policies under which our directors and officers are insured, within the limits and subject to the limitations of those policies, against certain expenses in connection with the defense of, and certain liabilities that might be imposed as a result of, actions, suits or proceedings to which they are parties by reason of being or having been directors or officers. The coverage provided by these policies may apply whether or not we would have the power to indemnify such person against such liability under the provisions of the DGCL.

We believe that these provisions and agreements are necessary to attract and retain qualified persons as our officers and directors. At present, there is no pending litigation or proceeding involving our directors or officers for whom indemnification is required or permitted, and we are not aware of any threatened litigation or proceeding that may result in a claim for indemnification.

## EXECUTIVE COMPENSATION

We are an emerging growth company for purposes of the SEC's executive compensation disclosure rules. In accordance with such rules, we are required to provide a Summary Compensation Table and an Outstanding Equity Awards at Fiscal Year End Table, as well as limited narrative disclosures regarding executive compensation for our last two completed fiscal years. Further, our reporting obligations extend only to our "named executive officers," who are those individuals serving as our principal executive officer and our two other most highly compensated executive officers who were serving as executive officers at the end of the last completed fiscal year (the "*Named Executive Officers*").

We have identified Ann Hand, David Steigelfest and Matt Edelman as our Named Executive Officers. Our Named Executive Officers for our fiscal year ending December 31, 2018 could change, as we may hire or appoint new executive officers.

For the fiscal years ended December 31, 2017 and 2016, compensation for our three highest-paid executive officers was as follows:

| Name and principal position | Year | Salary ($) | Bonus ($) | Stock Awards ($) | Option Awards ($) [1] | All Other Compensation ($) | Total ($) |
|---|---|---|---|---|---|---|---|
| Ann Hand *Chief Executive Officer, President* | 2017 | $ 400,000 | - | - | $ 1,571,000 | - | $ 1,971,000 |
| | 2016 | $ 300,000 | - | - | - | - | $ 300,000 |
| David Steigelfest *Chief Products and Technology Officer* | 2017 | $ 300,000 | $ 20,000 | - | $ 567,000 | - | $ 887,000 |
| | 2016 | $ 270,000 | - | - | - | - | $ 270,000 |
| Matt Edelman *Chief Commercial Officer* [2] | 2017 | $ 300,000 | - | - | $ 574,000 | | $ 874,000 |

[1] This column represents the grant date fair value calculated in accordance with the Financial Accounting Standards Board's Accounting Standards Codification Topic 718, Compensation – Stock Compensation ("*ASC 718*"). These amounts do not represent the actual value, if any, that may be realized by the Named Executive Officers.

[2] No compensation is reported for Mr. Edelman in 2016, as he was appointed to serve as the Company's Chief Commercial Officer in July 2017 and did not receive any compensation from the Company prior to that time.

**Elements of Compensation**

Our executive compensation program consisted of the following components of compensation in 2017 and 2016:

*Base Salary*

Each of our executive officers receives a base salary for the expertise, skills, knowledge and experience he or she offers to our management team. The base salary of each of our executive officers is re-evaluated annually, and may be adjusted to reflect:

- the nature, responsibilities, and duties of the officer's position;
- the officer's expertise, demonstrated leadership ability, and prior performance;
- the officer's salary history and total compensation, including annual equity incentive awards; and
- the competitiveness of the officer's base salary.

*Equity Incentive Awards*

We believe that to attract and retain management, key employees and non-management directors, the compensation paid to these persons should include, in addition to base salary, annual equity incentives. Our compensation committee determines the amount and terms of equity-based compensation granted to each individual. In determining whether to grant certain equity awards to our executive officers, the compensation committee assesses the level of the executive officer's achievement of meeting individual goals, as well as the executive officer's contribution towards goals of the Company. Whenever possible, equity incentive awards are granted under our stock option plan. However, due to a prior lack of shares available for issuances under the 2014 Plan, we have granted certain awards in the form of warrants to key executive officers in the past.

**Employment Agreements and Potential Payments upon Termination or Change of Control**

*Ann Hand*

On June 16, 2017, we entered into an employment agreement with Ms. Hand to serve as our Chief Executive Officer, President and Chair of the Board. The initial term of the agreement is three years (the "*Initial Term*"), and provided that neither party provides 30 days' notice prior to the expiration of the Initial Term or a Renewal Term of their intent to allow the agreement to expire and thereby terminate, the agreement shall continue in effect for successive periods of one year (each, a "*Renewal Term*"). The employment agreement with Ms. Hand provides for a base annual salary of $400,000, which amount may be increased annually, at the sole discretion of the Board. Additionally, Ms. Hand shall be entitled to (i) an annual cash bonus, the amount of which shall be determined by our compensation committee, (ii) health insurance for herself and her dependents, for which the Company shall pay 90% of the premiums, (iii) reimbursement for all reasonable business expenses, and (iv) participate in the Company's 401(k) Plan upon the Board electing to institute it. As additional compensation, Ms. Hand was issued a warrant to purchase 300,000 shares of Company Common Stock at an exercise price of $3.60 per share (the "*Hand Warrant*"). The warrant has a ten-year term, and shall vest at a rate of 1/36$^{th}$ per month, subject to the acceleration of all unvested shares upon a Change of Control, as defined in the employment agreement.

Ms. Hand's employment agreement is terminable by either party at any time. In the event of termination by us without Cause or by Ms. Hand for Good Reason, as those terms are defined in the agreement, she shall receive a severance package consisting of the following: (i) all accrued obligations as of the termination date; (ii) a cash payment equal to the greater of (A) her base annual salary for 18 months, payable 50% upon termination, 25% 90 days after the termination date and 25% 180 days after the termination date, or (B) the remaining payments due for the term of the agreement; and (iii) an additional 18 months' vesting on the Hand Warrant. In the event of termination by us with Cause or by Ms. Hand without Good Reason, Ms. Hand shall be entitled to all salary and benefits accrued prior to the termination date, and nothing else; *provided, however*, that Ms. Hand shall be entitled to exercise that portion of the Hand Warrant that has vested as of the effective date of the termination until the Hand Warrant's expiration.

*David Steigelfest*

Effective October 31, 2016, we entered into an employment agreement with Mr. Steigelfest to serve as our Chief Technology Officer. The initial term of the agreement is two years (the "*Initial Term*"), and provided that neither party provides 30 days' notice prior to the expiration of the Initial Term or a Renewal Term of their intent to allow the agreement to expire and thereby terminate, the agreement shall continue in effect for successive periods of one year (each, a "*Renewal Term*"). The employment agreement with Mr. Steigelfest provides for a base annual salary of $270,000, which amount may be increased annually, at the sole discretion of the Board and was increased to $300,000 by the Board in the fourth quarter of 2017. Additionally, Mr. Steigelfest shall be entitled to (i) health insurance for himself and his dependents, for which the Company shall pay 50% of the premiums, (ii) reimbursement for all reasonable business expenses, and (iv) participate in the Company's 401(k) Plan upon the Board electing to institute it.

Mr. Steigelfest's employment agreement is terminable by either party at any time. In the event of termination by us without Cause, as defined in the agreement, he shall be entitled to all salary and benefits accrued prior to the date of termination, as well as six months of accelerated vesting of the Option from the date of termination. In the event of termination by us with Cause, Mr. Steigelfest shall be entitled to all salary accrued prior to the termination date, and nothing else; *provided, however*, that Mr. Steigelfest shall be entitled to exercise any stock options that have vested prior to the date of termination.

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

The following table discloses outstanding stock option awards held by each of the Named Executive Officers as of December 31, 2017:

| | | Option/Warrant Awards | | | |
|---|---|---|---|---|---|
| Name | Grant date | Number of securities underlying unexercised options/warrants (#) exercisable | Number of securities underlying unexercised options/warrants (#) unexercisable | Option/warrant exercise price ($) | Option/warrant expiration date |
| Ann Hand | 6/5/15 | 312,500 | 187,500(1) | $ 2.00 | 6/5/25 |
| | 6/16/17 | 115,500 | 38,500(2) | $ 3.00 | 6/15/27 |
| | 6/16/17 | 72,000 | 24,000(3) | $ 3.60 | 6/15/27 |
| | 6/16/17 | 50,00 | 250,000(4) | $ 3.60 | 6/6/27 |
| David Steigelfest | 10/16/14 | 316,667 | 33,333(5) | $ 0.10 | 10/15/24 |
| | 6/16/17 | 78,000 | 26,000(6) | $ 3.00 | 6/15/27 |
| | 6/16/17 | 72,000 | 24,000(7) | $ 3.60 | 6/15/27 |
| Matt Edelman | 7/24/17 | - | 196,320(8) | $ 3.60 | 7/24/27 |

(1) Represents a warrant to purchase shares of our Common Stock, which warrant vests at a rate of 10,417 shares per month, and becomes fully vested on June 5, 2019. The warrant was issued in lieu of options due to the lack of sufficient available shares authorized for issuance under the 2014 Plan.

(2) Represents an option to purchase shares of our Common Stock, which option vests, 50% immediately upon grant, and thereafter, at a rate of 6,417 shares per month, and becomes fully vested on June 16, 2019.

(3) Represents an option to purchase shares of our Common Stock, which option vests, 50% immediately upon grant, and thereafter, at a rate of 4,000 shares per month, and becomes fully vested on June 16, 2019.

(4) Represents a warrant to purchase shares of our Common Stock, which warrant vests 8,333 shares per month, and becomes fully vested on June 6, 2020. The warrant was issued in lieu of options due to the lack of sufficient available shares authorized for issuance under the 2014 Plan.

(5) Represents an option to purchase shares of our Common Stock, which option vests at a rate of 8,333 shares per month, and becomes fully vested on April 16, 2018.

(6) Represents an option to purchase shares of our Common Stock, which option vests, 50% immediately upon grant, and thereafter, at a rate of 4,333 shares per month, and becomes fully vested on June 16, 2019.

(7) Represents an option to purchase shares of our Common Stock, which option vests, 50% immediately upon grant, and thereafter, at a rate of 4,000 shares per month, and becomes fully vested on June 16, 2019.

(8) Represents an option to purchase shares of our Common Stock, which option vested with respect to 49,080 shares on July 24, 2018, and then at a rate of 4,090 shares per month, and becomes fully vested on July 24, 2021.

**Securities Authorized for Issuance under Equity Compensation Plans**

The following table provides a summary of the securities authorized for issuance under our equity compensation plans as of June 30, 2018.

| Plan category | Number of securities to be issued upon exercise of outstanding options, warrants and rights | Weighted-average exercise price of outstanding options, warrants and rights | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) |
|---|---|---|---|
| | (a) | (b) | (c) |
| Equity compensation plans approved by security holders | | | |
| 2014 Plan | 3,975,487 | $ 2.97 | 454,513 |
| Equity compensation plans not approved by security holders | | | |
| Total | 3,975,487 | $ 2.97 | 454,513 |

**Stock Option and Incentive Plan**

*2014 Stock Option and Incentive Plan*

Our Board unanimously approved the 2014 Plan on October 13, 2014. The 2014 Plan was subsequently amended in May 2015, May 2016, July 2017 and August 2017. The maximum number of shares of Common Stock issuable under the 2014 Plan is currently 5.5 million shares, subject to adjustments for stock, stock dividends or other similar changes in our common stock or our capital structure.

Our 2014 Plan provides for the grant of (a) Incentive Stock Options (within the meaning of Section 422 of the Code) to our full-time employees ("*Employees*"), subject to the requirements of Section 422(c)(6) where an Employee owns 10% or more of our voting stock outstanding; (b) Non-Qualified Options (together with Incentive Stock Options, "*Options*"); (c) stock awards; and (d) performance shares to any individual who is (i) an Employee, (ii) a member of our Board, or (iii) an independent contractor who provides services for the Company.

*Plan Administration*

Pursuant to the 2014 Plan, our Board has delegated the authority to administer the 2014 Plan to the Board's compensation committee (the "*Committee*"). Subject to the provisions of our 2014 Plan, the Committee has the power to determine the terms of the awards, including the exercise price, the number of shares subject to each award, the exercisability of the awards, and the form of consideration, if any, payable upon exercise. The Committee also has the authority to amend, modify, extend renew or terminate outstanding Options, or may accept the cancellation of outstanding Options, whether or not granted under the 2014 Plan, in return for the grant of new Options at the same or a different price. Additionally, the Committee may shorten the vesting period, extend the exercise period, remove any or all restrictions or convert an Incentive Option to a Non-Qualified Option, if, at its sole discretion, it determines that such action is in the best interest of the Company; *provided, however,* that any modification made to outstanding Options requires the prior consent of the holder(s) of such Options, unless the Committee determines that the action would not materially and adversely affect such holder(s).

*Incentive Stock Options*

The exercise price of Incentive Stock Options granted under our 2014 Plan must at least be equal to 100% of the fair market value of our common stock on the date of grant. The term of an Incentive Stock Option may not exceed ten years, except that with respect to any participant who owns more than 10% of the voting power of all classes of our outstanding stock, the term must not exceed five years and the exercise price must equal at least 110% of the fair market value on the grant date.

*Non-Qualified Stock Options*

The exercise price of Non-Qualified Options granted under our 2014 Plan must at least be equal to 85% of the fair market value of our common stock on the date of grant. The term of a Non-Qualified Stock Option may not exceed ten years.

*Stock Awards or Sales*

Eligible individuals may be issued shares of common stock directly, upon the attainment of performance milestones or the completion of a specified period of service or as a bonus for past services. The purchase price for the shares shall not be less than 100% of the fair market value of the shares on the date of issuance, and payment may be in the form of cash or past services rendered. Eligible individuals shall have no stockholder rights with respect to any unvested restricted shares or restricted share units issued to them under the stock award or sales program, however, eligible individuals shall have the right to receive any regular cash dividends paid on such shares.

*Termination of Relationship*

Except as the Committee may otherwise determine with respect to a Non-Qualified Stock Option, if the holder of an Option ceases to have a Relationship (as defined in the 2014 Plan) with the Company for any reason other than death or permanent disability, any Options granted to him shall terminate 90 days from the date on which such Relationship terminates; *provided, however*, that no Option may be exercised or claimed by the holder of an Option following the termination of his Relationship for Cause (as defined in the 2014 Plan). In the event that the Relationship terminates as a result of the death or permanent disability of the Option holder, any Options granted to him shall terminate one year from the date of his death or termination due to permanent disability. In no event may an option be exercised later than the expiration of its term.

*Certain Adjustments*

In the event of certain changes in our capitalization, to prevent diminution or enlargement of the benefits or potential benefits available under the 2014 Plan, the administrator will adjust the number and class of shares available for future grants under the 2014 Plan, the exercise price of outstanding Options, the number of shares covered by each outstanding award, or the purchase price of each outstanding award.

*Reorganization*

In the event we are a party to a merger or other corporate reorganization, all outstanding Options shall be subject to the agreement of merger or reorganization. Such agreement may provide for the assumption of the outstanding Options by the surviving corporation or its parent or for their continuation by the Company (if the Company is a surviving corporation); *provided, however*, that if the assumption or continuation is not provided by such agreement, then the Committee, in its sole discretion, shall have the option of offering the payment of a cash settlement equal to the difference between the amount to be paid for one share under the agreement and the exercise price.

*Change of Control*

Under the 2014 Plan, a Change of Control is generally defined as: (i) the sale of all or substantially all of the assets of the Company, or (ii) any merger, consolidation or acquisition of the Company with, by or into another corporation, entity or third party, the result of which is a change in the ownership of more than 50% of the voting capital stock of the Company.

In the event of a Change of Control, all restrictions on all awards or sales of shares will accelerate and vesting on all unexercised and unvested Options will occur on the Change of Control date.

**Director Compensation**

We have not yet adopted a formal compensation policy for our non-employee directors.

The following table sets forth the compensation awarded to, earned by, or paid to each person who served as a non-employee director during the fiscal year ended December 31, 2017:

| Name | Fees Earned or Paid in Cash [1] ($) | Option/Warrant Awards [2] ($) | Other Compensation ($) | Total ($) |
|---|---|---|---|---|
| John Miller | - | - | $ 75,000[3] | $ 75,000 |
| Robert Stewart [4] | - | $ 224,000[4][7] | - | $ 224,000 |
| Jeff Gehl [5] | - | $ 421,500[5][7] | - | $ 421,500 |
| Marc Cummins[6] | - | - | - | - |

(1) Our non-employee directors did not receive any cash payments as compensation for their service on our Board for the year ended December 31, 2017.

(2) The amounts in this column represent the aggregate grant date fair value of options or warrants to purchase shares of our Common Stock awarded during our fiscal year ended December 31, 2017, computed in accordance ASC 718. The amounts in this column do not represent any cash payments actually received with respect to any of such options or warrant to purchase shares of our Common Stock. To date, the recipients have not exercised such options or warrants to purchase common stock, and there can be no assurance that any of them will ever realize any of the ASC 718 grant date fair value amounts presented in this column.

(3) Represents $75,000 paid to Mr. Miller in consideration for providing strategic advisory services to the Company during the year ended December 31, 2017. Such payments were unrelated to those services he provided to us as a director on our Board.

(4) Represents warrants granted to Mr. Stewart, the material terms of which are set forth below in footnote 7, during the year ended December 31, 2017.

(5) Represents warrants granted to Mr. Gehl, the material terms of which are set forth below in footnote 7, during the year ended December 31, 2017.

(6) Mr. Cummins was appointed to our Board effective August 22, 2017, and did not receive any compensation from the Company in the year ended December 31, 2017.

(7) The table below provides information regarding outstanding option and warrant awards held by each of our non-employee directors as of December 31, 2017.

| Name | Grant Date | Expiration Date | Exercise Price ($) | Number of Options/Warrants (#) |
|---|---|---|---|---|
| Robert Stewart | 10/16/14 | 10/15/24 | $ 0.10 | 100,000 |
| | 7/01/17 | 6/31/21 | $ 3.60 | 4,000 |
| | 7/01/17 | 6/31/21 | $ 3.60 | 96,000 |
| Jeff Gehl | 1/16/15 | 1/15/25 | $ 2.00 | 25,000 |
| | 5/12/15 | 5/11/25 | $ 2.00 | 50,000 |
| | 6/16/17 | 6/15/22 | $ 3.00 | 29,000 |
| | 6/16/17 | 6/15/22 | $ 3.60 | 96,000 |

## CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

On August 3, 2018, CaliBurger entered into a Note Purchase Agreement for the purchase of a 2018 Note in the principal amount of $1.0 million, as well as corresponding 2018 Warrants. John Miller, one of our co-founders and members of our Board, is also the founder and serves on the board of directors of Caliburger.

On February 21, 2018, the Company issued a 9.00% Senior Secured Convertible Promissory Note with common stock purchase warrants in the original principal amount of $1.0 million. The Caliburger Note. 1 was converted (all original principal and accrued interest) on May 28, 2018 into a new 9.00% Senior Secured Convertible Promissory Note with common stock purchase warrants. Subsequently, on August 2, 2018, Caliburger purchased an additional 9.00% Senior Secured Convertible Promissory Note in the original principal amount of $1,000,000 with common stock purchase warrant .

On June 30, 2017, Caliburger purchased 666,667 shares of our common stock at a price of $3.60 per share, for a total aggregate proceeds to the Company of $2.4 million.

In October 2014, we entered into an asset purchase agreement (the "*APA*") with Caliburger, pursuant to which the Company purchased certain assets from Caliburger in exchange for 1,000,000 shares of our common stock, then valued at $100,000 in the aggregate.

In May 2015, we entered into a consulting agreement with Mr. Miller, pursuant to which Mr. Miller provides consulting services including assistance with business and corporate strategies, for which Mr. Miller receives a monthly consulting fee of $6,250. The term of the agreement continues so long as a mutually agreed upon by the parties.

**Related Party Transaction Policy**

Our Board recognizes the fact that transactions with related persons present a heightened risk of conflicts of interests and/or improper valuation (or the perception thereof). Accordingly, our Board has adopted a written policy addressing the approval of transactions with related persons, in conformity with the requirements for issuers having publicly held common stock listed on the Nasdaq Capital Market. Pursuant to our Related Persons Transactions Policy (the "*Policy*"), any related-person transaction, and any material amendment or modification of a related-person transaction, is required to be reviewed and approved or ratified by the Board's audit committee, which shall be composed solely of independent directors who are disinterested, or in the event that a member of the audit committee is a Related Person, as defined below, then by the disinterested members of the audit committee; *provided, however*, that in the event that management determines that it is impractical or undesirable to delay the consummation of a related person transaction until a meeting of the audit committee, then the Chair of the audit committee may approve such transaction in accordance with this policy; such approval must be reported to the audit committee at its next regularly scheduled meeting. In determining whether to approve or ratify any related person transaction, the audit committee must consider all of the relevant facts and circumstances and shall approve only those transactions that are deemed to be in the best interests of the Company.

Pursuant to our Policy and SEC rules, a "related person transaction" includes any transaction, arrangement or relationship which: (i) the Company is a participant; (ii) the amount involved exceeds $120,000; and (iii) an executive officer, director or director nominee, or any person who is known to be the beneficial owner of more than 5% of our common stock, or any person who is an immediate family member of an executive officer, director or director nominee or beneficial owner of more than 5% of our common stock, had or will have a direct or indirect material interest (each a "*Related Person*").

In connection with the review and approval or ratification of a related person transaction:

- Management shall be responsible for determining whether a transaction constitutes a related person transaction subject to the Policy, including whether the Related Person has a material interest in the transaction, based on a review of all of the facts and circumstances; and

- Should management determine that a transaction is a related person transaction subject to the Policy, it must disclose to the audit committee all material facts concerning the transaction and the Related Person's interest in the transaction.

## SECURITY OWNERSHIP OF MANAGEMENT AND CERTAIN SECURITYHOLDERS

The following table sets forth certain information known to us regarding beneficial ownership of our common stock as of September 14, 2018 for (i) each of our executive officers and directors individually, (ii) all of our executive officers and directors as a group, and (iii) each person, or group of affiliated persons, known by us to be the beneficial owner of more than 5% of our capital stock. The percentage of beneficial ownership in the table below is based on 13,830,487 shares of common stock deemed to be outstanding as of September 14, 2018.

| Name, address and title of beneficial owner [1] | Shares of Common Stock | Total Number of Shares Subject to Exercisable Options and Warrants | Total Number of Shares Issuable Upon Conversion of Outstanding Promissory Notes [2] | Total Number of Shares Beneficially Owned | Percentage of Voting Common Stock Outstanding [3] |
|---|---|---|---|---|---|
| **Officers and Directors** | | | | | |
| **Ann Hand** | | | | | |
| *Chief Executive Officer, President and Chair* | 220,124 | 782,291 | - | 1,002,415 | 6.9% |
| **David Steigelfest** | | | | | |
| *Chief Products and Technology Officer* | 150,000 | 520,834 | - | 670,834 | 4.7% |
| **Clayton Haynes** | | | | | |
| *Chief Financial Officer* | - | 60,000 | - | 60,000 | * |
| **Matt Edelman** | | | | | |
| *Chief Commercial Officer* | - | 61,350 | - | 61,350 | * |
| **John Miller** [4] | | | | | |
| *Director* | 1,373,612 | 555,556 | 555,556 | 2,484,724 | 16.6% |
| **Jeff Gehl** [5] | | | | | |
| *Director* | 193,597 | 293,275 | 93,275 | 580,147 | 4.1% |
| **Robert Stewart, Jr.** [6] | | | | | |
| *Director* | 677,778 | 142,362 | 36,806 | 856,946 | 6.1% |
| **Marc Cummins** [7] | | | | | |
| *Director* | 62,772 | - | - | 62,772 | * |
| **Executive Officers and Directors as a Group** (8 persons) | 2,677,883 | 2,415,668 | 685,637 | 5,779,188 | 34.1% |
| | | | | | |
| **Greater than 5% Stockholders** | | | | | |
| **CaliBurger** [8] | | | | | |
| Floor 4, Willow House, Cricket Square | | | | | |
| Grand Cayman, Cayman Islands | | | | | |
| KY1-1104 | 1,366,667 | 555,556 | 555,556 | 2,477,779 | 16.6% |
| **Pu Luo Chung VC Private Limited** | | | | | |
| 37 Jalan Pemimpin | | | | | |
| # 06-12 | | | | | |
| Singapore 577177 | 1,413,387 | - | - | 1,413,387 | 10.2% |

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* Less than 1.0%

(1) Unless otherwise indicated, the business address for each of the executive officers and directors is c/o Super League Gaming, Inc., 2906 Colorado Ave., Santa Monica, CA 90404.

(2) Includes shares issuable upon conversion of outstanding 2018 Notes issued by the Company in connection with the 2018 Bridge Financing. Upon closing of the offering described in this prospectus, all outstanding principal and accrued interest will automatically convert into shares of common stock at the lesser of (x) $3.60 per share or (y) a 15% discount to the public offering price per share. For purposes of this table, we have assumed the 2018 Notes held by Mr. Gehl, the Robert B. Stewart, Jr. Sole and Separate Property Trust and Caliburger will convert into shares of common stock at a price of $3.60 per share, and have excluded any accrued but unpaid interest.

For additional information regarding the 2018 Notes held by Mr. Gehl, the Robert B. Stewart, Jr. Sole and Separate Property Trust and Caliburger, as well as the 2018 Warrants issued in connection with the issuance of the 2018 Notes, see footnotes 5, 6 and 8, hereto, respectively.

(3) Beneficial ownership is determined in accordance with the rules of the SEC. In computing the number of shares beneficially owned by a person and the percentage of ownership by that person, shares of voting common stock subject to outstanding rights to acquire shares of voting common stock held by that person that are currently exercisable or exercisable within 60 days are deemed outstanding. Such shares are not deemed outstanding for the purpose of computing the percentage of ownership by any other person.

(4) Consists of securities held by CaliBurger, as described in footnote 8 below, and 6,945 shares held by the Miller-Lomelino Partnership.

As a Director of CaliBurger and a partner of the Miller-Lomelino Partnership, Mr. Miller may be deemed to beneficially own the securities held directly by each entity.

(5) Includes shares issuable upon conversion of 2018 Notes held by BigBoy, LLC and BigBoy Investment Partnership, entities controlled by Mr. Gehl, in the collective principal amount of $381,494, as well as shares of common stock issuable upon exercise of the 2018 Warrants issued to Mr. Gehl's entities in connection with his purchase of the 2018 Notes. As noted in footnote 2 above, for purposes of this table, we have assumed the 2018 Notes held by Mr. Gehl's entities will convert into shares of common stock at a price of $3.60 per share, and accordingly will result in the issuance of 105,971 shares of common stock, and the 2018 Warrants issued to Mr. Gehl's entities will be exercisable for up to 105,971 shares of common stock. The 2018 Warrants are callable, at the option of the Company, at any time following the completion of the offering described in this prospectus.

Also includes 20,000 shares held by Jeff Gehl, 100,000 shares held by BigBoy Investment Partnership, LLC and 73,597 shares held by BigBoy, LLC. Mr. Gehl is the Managing Member of BigBoy Investment Partnership and BigBoy, LLC, and, therefore, may be deemed to beneficially own these shares.

The business address for BigBoy Investment Partnership and BigBoy, LLC is 111 Bayside Dr., Suite 270, Newport Beach, CA 92625.

(6) Includes shares issuable upon conversion of 2018 Notes held by the Robert B. Stewart, Jr. Sole and Separate Property Trust (the "*Stewart Trust*") in the principal amount of $132,500, as well as shares of common stock issuable upon exercise of the 2018 Warrant issued to the Stewart Trust in connection with its purchase of the 2018 Notes. As noted in footnote 2 above, for purposes of this table, we have assumed the 2018 Notes held by the Stewart Trust will convert into shares of common stock at a price of $3.60 per share, and accordingly will result in the issuance of 36,806 shares of common stock, and the 2018 Warrants held by the Stewart Trust will be exercisable for up to 36,806 shares of common stock. The 2018 Warrants are callable, at the option of the Company, at any time following the completion of the offering described in this prospectus.

Also includes 277,778 shares held by the Stewart Trust, additional warrants to purchase up to 5,556 shares of common stock held by the Stewart Trust, and an option to purchase 100,000 shares of common stock.

Mr. Stewart is the trustee for the Stewart Trust, and, therefore, may be deemed to beneficially own these shares.

(7) Includes 13,889 shares held by the Cummins Children's Trust, and 21,105 shares held by the Cummins Family Trust. Mr. Cummins is the trustee for both the Cummins Children's Trust and the Cummins Family Trust, and, therefore, may be deemed to beneficially own these shares.

(8) Includes shares issuable upon conversion of 2018 Notes held by CaliBurger in the principal amount of $2,000,000, as well as shares of common stock issuable upon exercise of the 2018 Warrant issued to CaliBurger in connection with its purchase of the 2018 Notes. As noted in footnote 2 above, for purposes of this table, we have assumed the 2018 Notes held by CaliBurger will convert into shares of common stock at a price of $3.60 per share, and accordingly will result in the issuance of 555,556 shares of common stock, and the 2018 Warrants held by CaliBurger will be exercisable for up to 555,556 shares of common stock. The 2018 Warrants are callable, at the option of the Company, at any time following the completion of the offering described in this prospectus.

As noted in footnote 4 above, Mr. Miller, a member of our Board of Directors, is a Director of CaliBurger, and may be deemed to beneficially own these securities.

## DESCRIPTION OF SECURITIES

*The following is a summary of the rights of our capital stock as provided in our Charter and our Bylaws. For more detailed information, please see our Charter and Bylaws that will be in effect upon the completion of this offering, which have been filed as exhibits to the Registration Statement of which this prospectus is a part.*

### Summary of Securities

The following description summarizes certain terms of our capital stock, as in effect upon the completion of this offering. Our Board of Directors and holders of a majority of our outstanding voting securities have approved of a second amendment and restatement of our Charter (the "*Amended and Restated Charter*"), which will be effective upon filing of the Amended and Restated Charter with the State of Delaware, which we expect to complete before the completion of this offering. The following description summarizes the provisions of the Amended and Restated Charter, including the number of shares of common stock that will be authorized for issuance under the Amended and Restated Charter, and the authorization of shares of preferred stock. Because the foregoing is only a summary, it does not contain all the information that may be important to you. For a complete description of the matters set forth in this section you should refer to our Charter and Bylaws, which are included as exhibits to this prospectus, and to the applicable provisions of Delaware law.

### Common Stock

Following the filing of the Amended and Restated Charter with the State of Delaware, the Amended and Restated Charter will authorize 100.0 million shares of common stock, par value $0.001 per share, for issuance. Currently, our current Charter authorizes 50.0 million shares of common stock for issuance. As of September 14, 2018, there were 13,830,487 shares of our common stock issued and outstanding, which were held by approximately 120 stockholders of record, approximately 3,611,111 shares of common stock issuable pursuant to outstanding convertible promissory notes (assuming the 2018 Notes are convertible into shares of common stock at a price of $3.60 per share), approximately 6,338,176 shares of common stock issuable upon exercise of warrants to purchase our common stock (assuming the 2018 Notes are convertible into shares of common stock at a price of $3.60 per share, resulting in the same number of 2018 Warrants), 3,975,487 shares of common stock issuable upon exercise of options held and 1,454,513 shares of common stock authorized and available for issuance pursuant to our 2014 Plan. Each holder of common stock is entitled to one vote for each share of common stock held on all matters submitted to a vote of the stockholders, including the election of directors. Neither our Charter, our Bylaws or the Amended and Restated Charter do not and will not provide for cumulative voting rights.

In addition to the Amended and Restated Charter, in August 2018 holders of a majority of our issued and outstanding securities authorized our Board of Directors, acting in its sole discretion without further approval of our stockholders, to effect a reverse split of our issued and outstanding common stock, at a ratio of not less than one-for-two, but not more than one-for-five, at any time on or before August 10, 2019 (the "*Reverse Split*"). We expect our Board of Directors will implement the Reverse Split before the completion of this offering.

Holders of our common stock have no preemptive, conversion or subscription rights, and there are no redemption or sinking fund provisions applicable to the common stock. The rights, preferences and privileges of the holders of common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of our preferred stock that we may designate and issue in the future.

### Preferred Stock

Our Charter currently does not authorize any shares of preferred stock. Following the filing of the Amended and Restated Charter, our Board of Directors will have the authority, without action by our stockholders, to designate and issue up to 10.0 million shares of preferred stock in one or more series and to designate the rights, preferences and limitations of each series, which may be greater than the rights of our common stock.

### Registration Rights

In connection with the 2018 Bridge Financing, we provided each holder of a 2018 Note with registration rights to register the shares of common stock issuable upon conversion of the 2018 Notes and upon exercise of the 2018 Warrants, subject to certain limitations. In addition, the holders of the 2018 Notes and the 2018 Warrants agreed to certain lock-up restrictions on the shares of common stock underlying the 2018 Notes and the 2018 Warrants that limit the ability of each holder to freely trade such shares during the -day period following the completion of the offering described in this prospectus.

In addition, we granted certain registration rights to Riot Games with respect to shares of common stock and shares of common stock issuable upon exercise of certain warrants issued to Riot Games pursuant to the Riot Licensing Agreement.

We have agreed to pay all of the expenses associated with each of such registrations.

**AntiTakeover Matters**

*Charter and Bylaw Provisions*

The provisions of Delaware law, our Charter, and our Bylaws include a number of provisions that may have the effect of delaying, deferring, or discouraging another person from acquiring control of our company and discouraging takeover bids. These provisions may also have the effect of encouraging persons considering unsolicited tender offers or other unilateral takeover proposals to negotiate with our Board rather than pursue non negotiated takeover attempts. These provisions include the items described below.

*Board Composition and Filling Vacancies*

Our Bylaws provide that any vacancy on our Board may only be filled by the affirmative vote of a majority of our directors then in office, even if less than a quorum. Further, any directorship vacancy resulting from an increase in the size of our Board of Directors, may be filled by election of the Board of Directors, but only for a term continuing until the next election of directors by our stockholders.

*No Cumulative Voting*

The DGCL provides that stockholders are not entitled to the right to cumulate votes in the election of directors unless certificate of incorporation of the Company in which they own stock provides otherwise. Neither our Charter nor our Bylaws provide that our stockholders shall be entitled to cumulative voting.

*Delaware Anti-Takeover Statute*

Upon completion of this offering, we will be subject to the provisions of Section 203 of the DGCL. In general, Section 203 prohibits persons deemed to be "interested stockholders" from engaging in a "business combination" with a publicly held Delaware corporation for three years following the date these persons become interested stockholders unless the business combination is, or the transaction in which the person became an interested stockholder was, approved in a prescribed manner or another prescribed exception applies. Generally, an "interested stockholder" is a person who, together with affiliates and associates, owns, or within three years prior to the determination of interested stockholder status did own, 15% or more of a corporation's voting stock. Generally, a "business combination" includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. The existence of this provision may have an anti-takeover effect with respect to transactions not approved in advance by the Board. A Delaware corporation may "opt out" of these provisions with an express provision in its original certificate of incorporation or an express provision in its certificate of incorporation or bylaws resulting from an amendment approved by at least a majority of the outstanding voting shares. We have not opted out of these provisions. As a result, mergers or other takeover or change in control attempts of us may be discouraged or prevented.

*Choice of Forum* 

Our Bylaws provide that Delaware will be the exclusive forum for any derivative action or proceeding brought on our behalf; any action asserting a breach of fiduciary duty; any action asserting a claim against us arising pursuant to the DGCL, our Charter or our Bylaws; or any action asserting a claim against us that is governed by the internal affairs doctrine. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable. 

## MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS

This section summarizes the material U.S. federal income tax considerations relating to the acquisition, ownership and disposition of our common stock acquired by "non-U.S. holders" (as defined below) pursuant to this offering. This summary does not provide a complete analysis of all potential U.S. federal income tax considerations relating thereto. The information provided below is based upon provisions of the U.S. Internal Revenue Code of 1986, as amended (the "*Code*"), Treasury regulations promulgated thereunder, administrative rulings and judicial decisions currently in effect. These authorities may change at any time, possibly retroactively, or the Internal Revenue Service (the "*IRS*"), might interpret the existing authorities differently. In either case, the tax considerations of owning or disposing of our common stock could differ from those described below. As a result, we cannot assure you that the tax consequences described in this discussion will not be challenged by the IRS or will be sustained by a court if challenged by the IRS.

This summary does not address the tax considerations arising under the laws of any non-U.S., state or local jurisdiction, or under U.S. federal gift and estate tax laws, except to the limited extent provided below. In addition, this discussion does not address tax considerations applicable to an investor's particular circumstances or to investors that may be subject to special tax rules, including, without limitation:

- banks, insurance companies or other financial institutions;
- partnerships or entities or arrangements treated as partnerships or other pass-through entities for U.S. federal tax purposes (or investors in such entities);
- corporations that accumulate earnings to avoid U.S. federal income tax;
- persons subject to the alternative minimum tax or Medicare contribution tax on net investment income;
- tax-exempt organizations or tax-qualified retirement plans;
- controlled foreign corporations or passive foreign investment companies;
- dealers in securities or currencies;
- traders in securities that elect to use a mark-to-market method of accounting for their securities holdings;
- persons that own, or are deemed to own, more than 5% of our capital stock (except to the extent specifically set forth below);
- certain former citizens or former long-term residents of the United States;
- persons who hold our common stock as a position in a hedging transaction, "straddle," "conversion transaction" or other risk reduction transaction;
- persons who do not hold our common stock as a capital asset within the meaning of Section 1221 of the Code (generally, for investment purposes);or
- persons deemed to sell our common stock under the constructive sale provisions of the Code.

In addition, if a partnership or entity classified as a partnership for U.S. federal income tax purposes is a beneficial owner of our common stock, the tax treatment of a partner in the partnership or an owner of the entity will depend upon the status of the partner or other owner and the activities of the partnership or other entity. Accordingly, this summary does not address tax considerations applicable to partnerships that hold our common stock, and partners in such partnerships should consult their tax advisors.

INVESTORS CONSIDERING THE PURCHASE OF OUR COMMON STOCK SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE APPLICATION OF THE U.S. FEDERAL INCOME AND ESTATE TAX LAWS TO THEIR PARTICULAR SITUATIONS AND THE CONSEQUENCES OF FOREIGN, STATE OR LOCAL LAWS, AND TAX TREATIES.

**Non-U.S. Holder Defined**

For purposes of this summary, a "non-U.S. holder" is any beneficial owner of our common stock, other than a partnership, that is not:

- an individual who is a citizen or resident of the United States;
- a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized under the laws of the United States,
- any state therein or the District of Columbia;
- a trust if it (i) is subject to the primary supervision of a U.S. court and one of more U.S. persons have authority to control all substantial decisions of the trust or (ii) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person; or
- an estate whose income is subject to U.S. income tax regardless of source.

If you are a non-U.S. citizen that is an individual, you may, in many cases, be treated as a resident alien, as opposed to a nonresident alien, by virtue of being present in the United States for at least 31 days in the calendar year and for an aggregate of at least 183 days during a three-year period ending in the current calendar year. For these purposes, all the days present in the current year, one-third of the days present in the immediately preceding year, and one-sixth of the days present in the second preceding year are counted. Resident aliens are subject to U.S. federal income tax as if they were U.S. citizens. Such an individual is urged to consult his or her own tax advisor regarding the U.S. federal income tax consequences of the ownership or disposition of our common stock.

**Dividends**

We do not expect to declare or make any distributions on our common stock in the foreseeable future. If we do make distributions on shares of our common stock, however, such distributions will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Distributions in excess of our current and accumulated earnings and profits will constitute a return of capital that is applied against and reduces, but not below zero, a non-U.S. holder's adjusted tax basis in shares of our common stock. Any remaining excess will be treated as gain realized on the sale or other disposition of our common stock. See "*Sale of Common Stock*" below.

Any dividend paid to a non-U.S. holder of our common stock that is not effectively connected with the non-U.S. holder's conduct of a trade or business in the United States will generally be subject to U.S. withholding tax at a 30% rate. The withholding tax might apply at a reduced rate, however, under the terms of an applicable income tax treaty between the United States and the non-U.S. holder's country of residence. You should consult your tax advisors regarding your entitlement to benefits under a relevant income tax treaty. Generally, in order for us or our paying agent to withhold tax at a lower treaty rate, a non-U.S. holder must certify its entitlement to treaty benefits. A non-U.S. holder generally can meet this certification requirement by providing an IRS Form W-8BEN or Form W-8BEN-E (or any successor of such forms) or appropriate substitute form to us or our paying agent. If the non-U.S. holder holds the stock through a financial institution or other agent acting on the holder's behalf, the holder will be required to provide appropriate documentation to the agent. The holder's agent will then be required to provide certification to us or our paying agent, either directly or through other intermediaries. If you are eligible for a reduced rate of U.S. federal withholding tax under an income tax treaty, you may obtain a refund or credit of any excess amounts withheld by filing an appropriate claim for a refund with the IRS in a timely manner.

Dividends received by a non-U.S. holder that are effectively connected with a U.S. trade or business conducted by the non-U.S. holder, and if required by an applicable income tax treaty between the United States and the non-U.S. holder's country of residence, are attributable to a permanent establishment maintained by the non-U.S. holder in the United States, are not subject to U.S. withholding tax. To obtain this exemption, a non-U.S. holder must provide us or our paying agent with an IRS Form W-8ECI properly certifying such exemption. Such effectively connected dividends, although not subject to withholding tax, are taxed at the same graduated income tax rates applicable to U.S. persons, net of certain deductions and credits. In addition to being taxed at graduated tax rates, dividends received by corporate non-U.S. holders that are effectively connected with a U.S. trade or business of the corporate non-U.S. holder may also be subject to a branch profits tax at a rate of 30% or such lower rate as may be specified by an applicable tax treaty.

**Sale of Common Stock**

Subject to the discussions below regarding backup withholding and the Foreign Account Tax Compliance Act, non-U.S. holders will generally not be subject to U.S. federal income tax on any gains realized on the sale, exchange or other disposition of our common stock unless:

- the gain (i) is effectively connected with the conduct by the non-U.S. holder of a U.S. trade or business and (ii) if required by an applicable income tax treaty between the United States and the non-U.S. holder's country of residence, is attributable to a permanent establishment maintained by the non-U.S. holder in the United States (in which case the special rules described below apply);

- the non-U.S. holder is an individual who is present in the United States for 183 days or more in the taxable year of the sale, exchange or other disposition of our common stock, and certain other requirements are met (in which case the gain would be subject to a flat 30% tax, or such reduced rate as may be specified by an applicable income tax treaty, which may be offset by certain U.S. source capital losses, even though the individual is not considered a resident of the United States); or

- the rules of the Foreign Investment in Real Property Tax Act ("*FIRPTA*"), treat the stock as a "U.S. real property interest" as defined in Section 897 of the Code.

The FIRPTA rules may apply to a sale, exchange or other disposition of our common stock if we are, or were within the shorter of the five-year period preceding the disposition and the non-U.S. holder's holding period, a "U.S. real property holding corporation" (as defined in Section 897 of the Code) ("*USRPHC*"). In general, we would be a USRPHC if interests in U.S. real estate comprised at least half of the value of our business assets. We do not believe that we are a USRPHC and we do not anticipate becoming one in the future. Even if we become a USRPHC, as long as our common stock is regularly traded on an established securities market, such common stock will be treated as U.S. real property interests only if beneficially owned by a non-U.S. holder that actually or constructively owned more than 5% of our outstanding common stock at sometime within the five-year period preceding the disposition.

If any gain from the sale, exchange or other disposition of our common stock, (1) is effectively connected with a U.S. trade or business conducted by a non-U.S. holder and (2) if required by an applicable income tax treaty between the United States and the non-U.S. holder's country of residence, is attributable to a permanent establishment maintained by such non-U.S. holder in the United States, then the gain generally will be subject to U.S. federal income tax at the same graduated rates applicable to U.S. persons, net of certain deductions and credits. If the non-U.S. holder is a corporation, under certain circumstances, that portion of its earnings and profits that is effectively connected with its U.S. trade or business, subject to certain adjustments, generally would be subject also to a "branch profits tax." The branch profits tax rate is 30% unless reduced by applicable income tax treaty.

**U.S. Federal Estate Tax**

The estates of nonresident alien individuals generally are subject to U.S. federal estate tax on property with a U.S. situs. Because we are a U.S. corporation, our common stock will be U.S. situs property and therefore will be included in the taxable estate of a nonresident alien decedent, unless an applicable estate tax treaty between the United States and the decedent's country of residence provides otherwise.

**Backup Withholding and Information Reporting**

The Code and the Treasury regulations require those who make specified payments to report the payments to the IRS. Among the specified payments are dividends and proceeds paid by brokers to their customers. The required information returns enable the IRS to determine whether the recipient properly included the payments in income. This reporting regime is reinforced by "backup withholding" rules. These rules require the payors to withhold tax from payments subject to information reporting if the recipient fails to cooperate with the reporting regime by failing to provide his taxpayer identification number to the payor, furnishing an incorrect identification number, or failing to report interest or dividends on his returns. The backup withholding tax rate is currently 28%. The backup withholding rules do not apply to payments to corporations, whether domestic or foreign, provided they establish such exemption.

Payments to non-U.S. holders of dividends on common stock generally will not be subject to backup withholding, and payments of proceeds made to non-U.S. holders by a broker upon a sale of common stock will not be subject to information reporting or backup withholding, in each case so long as the non-U.S. holder certifies its status as a non-U.S. holder (and we or our paying agent do not have actual knowledge or reason to know the holder is a U.S. person or that the conditions of any other exemption are not, in fact, satisfied) or otherwise establishes an exemption. The certification procedures to claim treaty benefits described under "Dividends" will generally satisfy the certification requirements necessary to avoid the backup withholding tax. We must report annually to the IRS any dividends paid to each non-U.S. holder and the tax withheld, if any, with respect to these dividends. Copies of these reports may be made available to tax authorities in the country where the non-U.S. holder resides.

Under the Treasury regulations, the payment of proceeds from the disposition of shares of our common stock by a non-U.S. holder made to or through a U.S. office of a broker generally will be subject to information reporting and backup withholding unless the beneficial owner certifies, under penalties of perjury, among other things, its status as a non-U.S. holder (and the broker does not have actual knowledge or reason to know the holder is a U.S. person) or otherwise establishes an exemption. The payment of proceeds from the disposition of shares of our common stock by a non-U.S. holder made to or through a non-U.S. office of a broker generally will not be subject to backup withholding and information reporting, except as noted below. Information reporting, but not backup withholding, will apply to a payment of proceeds, even if that payment is made outside of the United States, if you sell our common stock through a non-U.S. office of a broker that is:

- a U.S. person (including a foreign branch or office of such person);
- a "controlled foreign corporation" for U.S. federal income tax purposes;
- a foreign person 50% or more of whose gross income from certain periods is effectively connected with a U.S. trade or business; or
- a foreign partnership if at any time during its tax year (a) one or more of its partners are U.S. persons who, in the aggregate, hold more than 50% of the income or capital interests of the partnership or (b) the foreign partnership is engaged in a U.S. trade or business, unless the broker has documentary evidence that the beneficial owner is a non-U.S. holder and certain other conditions are satisfied, or the beneficial owner otherwise establishes an exemption (and the broker has no actual knowledge or reason to know to the contrary).

Backup withholding is not an additional tax. Any amounts withheld from a payment to a holder of common stock under the backup withholding rules can be credited against any U.S. federal income tax liability of the holder and may entitle the holder to a refund, provided that the required information is furnished to the IRS in a timely manner.

**Foreign Account Tax Compliance Act**

A U.S. federal withholding tax of 30% may apply to dividends and the gross proceeds of a disposition of our common stock paid to a foreign financial institution (as specifically defined by the applicable rules) unless such institution enters into an agreement with the U.S. government to withhold on certain payments and to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which includes certain equity holders of such institution, as well as certain account holders that are foreign entities with U.S. owners). This U.S. federal withholding tax of 30% will also apply to dividends and the gross proceeds of a disposition of our common stock paid to a non-financial foreign entity unless such entity provides the withholding agent with either a certification that it does not have any substantial direct or indirect U.S. owners or provides information regarding direct and indirect U.S. owners of the entity. The 30% federal withholding tax described in this paragraph cannot be reduced under an income tax treaty with the United States or by providing an IRS Form W-8BEN or similar documentation. The withholding tax described above will not apply if the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from the rules and certifies as such on a Form W-8BEN-E (or any successor of such form). Under certain circumstances, a non-U.S. holder might be eligible for refunds or credits of such taxes. Holders should consult with their own tax advisors regarding the possible implications of the withholding described herein. The withholding provisions described above generally apply to proceeds from a sale or other disposition of common stock if such sale or other disposition occurs on or after January 1, 2019 and to payments of dividends on our common stock.

THE PRECEDING DISCUSSION OF U.S. FEDERAL TAX CONSIDERATIONS IS FOR GENERAL INFORMATION ONLY. IT IS NOT TAX ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR REGARDING THE PARTICULAR U.S. FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF PURCHASING, HOLDING AND DISPOSING OF OUR COMMON STOCK, INCLUDING THE CONSEQUENCES OF ANY PROPOSED CHANGE IN APPLICABLE LAWS.

## UNDERWRITING

We are offering the shares of common stock described in this prospectus through the underwriters listed below. Subject to the terms of the underwriting agreement, the underwriters named below have agreed to buy, severally and not jointly, the number of shares of common stock listed opposite their names below. The underwriters are committed to purchase and pay for all of the shares if any are purchased, other than those shares covered by the over-allotment option described below. Northland Securities, Inc. and Lake Street Capital Markets LLC are acting as the joint book-running managers of this offering and representatives of the underwriters.

| Underwriter | Number of Shares |
|---|---|
| Northland Securities, Inc. | |
| Lake Street Capital Markets LLC | |
| | |
| Total | |

The underwriters have advised us that they propose to initially offer the shares of common stock to the public at a price of $ per share. The underwriters propose to offer the shares of common stock to certain dealers at the same price less a concession of not more than $ per share. After the initial offering, these figures may be changed by the underwriters.

The shares sold in this offering are expected to be ready for delivery against payment in immediately available funds on or about , 2018, subject to customary closing conditions. The underwriters may reject all or part of any order.

We have granted to the underwriters an option to purchase up to an additional shares of common stock from us at the same price to the public, and with the same underwriting discount, as set forth in the table below. The underwriters may exercise this option any time during the 30-day period after the date of this prospectus, but only to cover over-allotments, if any. To the extent the underwriters exercise the option, the underwriters will become obligated, subject to certain conditions, to purchase the shares for which they exercise the option.

**Commissions and Discounts**

The table below summarizes the underwriting discounts that we will pay to the underwriters. These amounts are shown assuming both no exercise and full exercise of the over-allotment option. In addition to the underwriting discount, we have agreed to pay up to $ of the fees and expenses of the underwriters, which may include the fees and expenses of counsel to the underwriters.

In connection with the successful completion of this offering, for the price of $ , the underwriters may purchase a warrant to purchase shares of our common stock equal to % of the shares sold in this offering at an exercise price that is % of the public offering price per share in this offering; provided further, that the underwriters will only receive such warrants relating to the over-allotment option upon the closing (if any) of the over-allotment option. The underwriters' warrants are exercisable during the period commencing from the date of the prospectus and ending years from the date of this prospectus. The underwriters' warrants may not be sold during this offering, or sold, transferred, assigned, pledged or hypothecated, or be the subject of any hedging, short sale, derivative, put, or call transaction that would result in the effective economic disposition of the underwriters' warrants, or the shares acquirable upon exercise thereof, by any person for a period of 180 days immediately following the effective date of this registration statement, except as provided in paragraph (g)(2) of Rule 5110 of FINRA. The fees and expenses of the underwriters that we have agreed to reimburse are not included in the underwriting discounts set forth in the table below.

Except as disclosed in this prospectus, the underwriters have not received and will not receive from us any other item of compensation or expense in connection with this offering considered by FINRA to be underwriting compensation under FINRA Rule 5110. The underwriting discount was determined through an arms' length negotiation between us and the underwriters.

| | Per Share | Total with No Over-Allotment | Total with Over-Allotment |
|---|---|---|---|
| Underwriting discount to be paid by us | $ | $ | $ |

We estimate that the total expenses of this offering, excluding underwriting discounts, will be $ . This includes $ of fees and expenses of the underwriters. These expenses are payable by us.

**Indemnification**

We also have agreed to indemnify the underwriters against certain liabilities, including civil liabilities under the Securities Act of 1933, as amended, or to contribute to payments that the underwriters may be required to make in respect of those liabilities.

**No Sales of Common Stock**

We, each of our directors and officers and certain of our significant stockholders have agreed not to offer, sell, agree to sell, directly or indirectly, or otherwise dispose of any shares of common stock or any securities convertible into or exchangeable for shares of common stock without the prior written consent of Northland Securities, Inc. and Lake Street Capital Markets LLC for a period of days after the date of this prospectus. These lock-up agreements provide limited exceptions and their restrictions may be waived at any time by Northland Securities, Inc. and Lake Street Capital Markets LLC.

**Determination of Offering Price**

The underwriters have advised us that they propose to offer the shares of common stock directly to the public at the estimated initial public offering price range set forth on the cover page of this prospectus. That price range and the initial public offering price are subject to change as a result of market conditions and other factors. Prior to this offering, no public market exists for our common stock. The initial public offering price of the shares was determined by negotiation between us and the underwriters. The principal factors considered in determining the initial public offering price of the shares included:

- the information in this prospectus and otherwise available to the underwriters, including our financial information;
- the history and the prospects for the industry in which we compete;
- the ability and experience of our management;
- the prospects for our future earnings;
- the present state of our development and our current financial condition;
- the general condition of the economy and the securities markets in the United States at the time of this initial public offering;
- the recent market prices of, and the demand for, publicly-traded securities of generally comparable companies; and
- other factors as were deemed relevant.

We cannot be sure that the initial public offering price will correspond to the price at which the shares of common stock will trade in the public market following this offering or that an active trading market for the shares of common stock will develop or continue after this offering.

**Price Stabilization, Short Positions and Penalty Bids**

To facilitate this offering, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of our common stock during and after the offering. Specifically, the underwriters may create a short position in our common stock for their own accounts by selling more shares of common stock than we have sold to the underwriters. The underwriters may close out any short position by purchasing shares in the open market.

In addition, the underwriters may stabilize or maintain the price of our common stock by bidding for or purchasing shares in the open market and may impose penalty bids. If penalty bids are imposed, selling concessions allowed to broker-dealers participating in this offering are reclaimed if shares previously distributed in this offering are repurchased, whether in connection with stabilization transactions or otherwise. The effect of these transactions may be to stabilize or maintain the market price of our common stock at a level above that which might otherwise prevail in the open market. The imposition of a penalty bid may also affect the price of our common stock to the extent that it discourages resales of our common stock. The magnitude or effect of any stabilization or other transactions is uncertain. These transactions may be effected on the Nasdaq Capital Market or otherwise and, if commenced, may be discontinued at any time.

In connection with this offering, the underwriters and selling group members may also engage in passive market making transactions in our common stock on the Nasdaq Capital Market. Passive market making consists of displaying bids on the Nasdaq Capital Market limited by the prices of independent market makers and effecting purchases limited by those prices in response to order flow. Rule 103 of Regulation M promulgated by the SEC limits the amount of net purchases that each passive market maker may make and the displayed size of each bid. Passive market making may stabilize the market price of our common stock at a level above that which might otherwise prevail in the open market and, if commenced, may be discontinued at any time.

Neither we nor the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our common stock. In addition, neither we nor the underwriters make any representation that the underwriters will engage in these transactions or that any transaction, if commenced, will not be discontinued without notice.

**Electronic Offer, Sale and Distribution of Shares**

The underwriters or syndicate members may facilitate the marketing of this offering online directly or through one of their respective affiliates. In those cases, prospective investors may view offering terms and a prospectus online and place orders online or through their financial advisors. Such websites and the information contained on such websites, or connected to such sites, are not incorporated into and are not a part of this prospectus.

**Other Relationships**

The underwriters and their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The underwriters have in the past, and may in the future, engage in investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. The underwriters have in the past, and may in the future, receive customary fees and commissions for these transactions.

In the ordinary course of their various business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the issuer. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that it acquires, long and/or short positions in such securities and instruments.

**Listing**

In connection with this offering, we have applied to have our common stock listed on the Nasdaq Capital Market under the symbol “SLGG.” There is no assurance, however, that our common stock will ever be listed on the Nasdaq Capital Market or any other national securities exchange.

**Transfer Agent and Registrar**

The transfer agent and registrar for our common stock is .

**Additional Information**

Northland Capital Markets is the trade name for certain capital markets and investment banking services of Northland Securities, Inc., member FINRA/SIPC.

**Selling Restrictions**

No action has been taken in any jurisdiction except the United States that would permit a public offering of our common stock, or the possession, circulation or distribution of this prospectus or any other material relating to us or our common stock in any jurisdiction where action for that purpose is required. Accordingly, the shares may not be offered or sold, directly or indirectly, and neither this prospectus nor any other offering material or advertisements in connection with the shares may be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of any such country or jurisdiction.

***Canada***

The securities may be sold in Canada only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45 106 *Prospectus Exemptions* or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31 103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the securities must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33 105 *Underwriting Conflicts* (NI 33 105), the underwriters are not required to comply with the disclosure requirements of NI 33 105 regarding underwriter conflicts of interest in connection with this offering.

***United Kingdom***

Each of the underwriters has, separately and not jointly, represented and agreed that:

- it has not made or will not make an offer of the securities to the public in the United Kingdom within the meaning of section 102B of the Financial Services and Markets Act 2000 (as amended), or the FSMA, except to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities or otherwise in circumstances which do not require the publication by us of a prospectus pursuant to the Prospectus Rules of the Financial Services Authority, or FSA;

- it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) to persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or in circumstances in which section 21 of FSMA does not apply to us; and

- it has complied with and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the securities in, from or otherwise involving the United Kingdom.

***Switzerland***

The securities will not be offered, directly or indirectly, to the public in Switzerland and this prospectus does not constitute a public offering prospectus as that term is understood pursuant to article 652a or 1156 of the Swiss Federal Code of Obligations.

***Israel***

In the State of Israel this prospectus shall not be regarded as an offer to the public to purchase shares of common stock under the Israeli Securities Law, 5728—1968, which requires a prospectus to be published and authorized by the Israel Securities Authority, if it complies with certain provisions of Section 15 of the Israeli Securities Law, 5728—1968, including, *inter alia*, if: (i) the offer is made, distributed or directed to not more than 35 investors, subject to certain conditions (the "*Addressed Investors*"); or (ii) the offer is made, distributed or directed to certain qualified investors defined in the First Addendum of the Israeli Securities Law, 5728—1968, subject to certain conditions (the "*Qualified Investors*"). The Qualified Investors shall not be taken into account in the count of the Addressed Investors and may be offered to purchase securities in addition to the 35 Addressed Investors. The company has not and will not take any action that would require it to publish a prospectus in accordance with and subject to the Israeli Securities Law, 5728—1968. We have not and will not distribute this prospectus or make, distribute or direct an offer to subscribe for our common stock to any person within the State of Israel, other than to Qualified Investors and up to 35 Addressed Investors.

Qualified Investors may have to submit written evidence that they meet the definitions set out in of the First Addendum to the Israeli Securities Law, 5728—1968. In particular, we may request, as a condition to be offered common stock, that Qualified Investors will each represent, warrant and certify to us and/or to anyone acting on our behalf: (i) that it is an investor falling within one of the categories listed in the First Addendum to the Israeli Securities Law, 5728—1968; (ii) which of the categories listed in the First Addendum to the Israeli Securities Law, 5728—1968 regarding Qualified Investors is applicable to it; (iii) that it will abide by all provisions set forth in the Israeli Securities Law, 5728—1968 and the regulations promulgated thereunder in connection with the offer to be issued common stock; (iv) that the shares of common stock that it will be issued are, subject to exemptions available under the Israeli Securities Law, 5728—1968: (a) for its own account; (b) for investment purposes only; and (c) not issued with a view to resale within the State of Israel, other than in accordance with the provisions of the Israeli Securities Law, 5728—1968; and (v) that it is willing to provide further evidence of its Qualified Investor status. Addressed Investors may have to submit written evidence in respect of their identity and may have to sign and submit a declaration containing, *inter alia*, the Addressed Investor's name, address and passport number or Israeli identification number.

***European Economic Area***

In relation to each Member State of the European Economic Area (each, a "*Relevant Member State*"), no offer of shares of common stock may be made to the public in that Relevant Member State other than:

(a) to any legal entity which is a "qualified investor" as defined in the Prospectus Directive;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the representatives; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of shares shall require the Company or the representatives to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive,

Each person in a Relevant Member State who initially acquires any shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with each of the representatives and the Company that it is a "qualified investor" within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive. In the case of any shares being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the shares acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any shares to the public other than their offer or resale in a Relevant Member State to qualified investors as so defined or in circumstances in which the prior consent of the representatives has been obtained to each such proposed offer or resale.

For the purposes of this provision, the expression an "offer of shares to the public" in relation to any shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase or subscribe the shares, as the same may be varied in the Relevant Member State by any measure implementing the Prospectus Directive in the Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (as amended by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

***Hong Kong***

The contents of this document have not been reviewed or approved by any regulatory authority in Hong Kong. This document does not constitute an offer or invitation to the public in Hong Kong to acquire shares. Accordingly, unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for the purposes of issue, this document or any advertisement, invitation or document relating to the shares, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong other than in relation to shares which are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" (as such term is defined in the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("*SFO*") and the subsidiary legislation made thereunder); or in circumstances which do not result in this document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong) ("*CO*"); or which do not constitute an offer or an invitation to the public for the purposes of the SFO or the CO. The offer of the shares is personal to the person to whom this document has been delivered, and a subscription for shares will only be accepted from such person. No person to whom a copy of this document is issued may issue, circulate or distribute this document in Hong Kong, or make or give a copy of this document to any other person. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

***Singapore***

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor pursuant to Section 274 of the Securities and Futures Act, Chapter 289 of Singapore ("*SFA*"), (ii) to a relevant person (as defined in Section 275(2) of the SFA), or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased pursuant to an offer made in reliance on Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor;

shares, debentures and units of shares, and debentures of that corporation, or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable for six months after that corporation or that trust has acquired the shares under Section 275 except:

(1) to an institutional investor or to a relevant person (as defined in Section 275(2) of the SFA), or any person pursuant to Section 275(1A) of the SFA (in the case of that corporation) or Section 276(4)(i)(B) of the SFA (in the case of that trust);

(2) where no consideration is or will be given for the transfer; or

(3) where the transfer is by operation of law.

## SHARES ELIGIBLE FOR FUTURE SALE

The shares of our common stock sold in this offering will be freely tradable in the public market, except to the extent they are acquired by an "affiliate" of ours, as such term is defined in Rule 405 under the Securities Act. Under Rule 405, an affiliate of a specified person is a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the specified person. Any affiliate of ours that acquires our common stock can only further transact in such common stock in compliance with Rule 144 under the Securities Act, which imposes sales volume limitations and other restrictions on such further transactions. See "Rule 144," below.

### Rule 144

In general, a person who has beneficially owned restricted shares of our common stock for at least twelve months, at least six months, in the event we have been a reporting company under the Exchange Act for at least 90 days before the sale, would be entitled to sell such securities, provided that such person is not deemed to be an affiliate of ours at the time of sale or to have been an affiliate of ours at any time during the 90 days preceding the sale. A person who is an affiliate of ours at such time would be subject to additional restrictions, by which such person would be entitled to sell within any three-month period only a number of shares that does not exceed the greater of the following:

- 1% of the number of shares of our common stock then outstanding; or
- the average weekly trading volume of our common stock during the four calendar weeks preceding the filing by such person of a notice on Form 144 with respect to the sale;

provided that, in each case, we are subject to the periodic reporting requirements of the Exchange Act for at least 90 days before the sale. Rule 144 trades must also comply with the manner of sale, notice and other provisions of Rule 144, to the extent applicable.

### Lock-Up Agreements

We and our officers, directors, and current stockholders have agreed, or will agree, with the underwriters, subject to certain exceptions, that, without the prior written consent of the underwriters, we and they will not, directly or indirectly, during the period ending days after the date of the prospectus:

- offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant for the sale of, or otherwise dispose of or transfer any shares of the common stock or any securities convertible into or exchangeable or exercisable for the common stock, whether now owned or hereafter acquired by the aforementioned or with respect to which any of the aforementioned has or hereafter acquires the power of disposition; or
- enter into any swap or any other agreement or any transaction that transfers, in whole or in part, the economic consequence of ownership of the common stock, whether any such swap or transaction is to be settled by delivery of the common stock or other securities, in cash or otherwise.

## LEGAL MATTERS

The validity of our shares of our common stock offered by this prospectus will be passed upon for us by Disclosure Law Group, a Professional Corporation of San Diego, California. The underwriters are being represented by Faegre Baker Daniels LLP, Minneapolis, Minnesota, in connection with the offering.

## EXPERTS

Our financial statements as of and for the years ended December 31, 2017 and 2016, have been included herein in reliance upon the report of Squar Milner LLP, an independent registered public accounting firm, appearing elsewhere herein, and given upon the authority of said firm as experts in accounting and auditing.

## WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to this offering of our common stock. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement, some items of which are contained in exhibits to the registration statement as permitted by the rules and regulations of the SEC. For further information with respect to us and our common stock, we refer you to the registration statement, including the exhibits and the financial statements and notes filed as a part of the registration statement. Statements contained in this prospectus concerning the contents of any contract, or any other document, are not necessarily complete. If a contract or document has been filed as an exhibit to the registration statement, please see the copy of the contract or document that has been filed. Each statement is this prospectus relating to a contract or document filed as an exhibit is qualified in all respects by the filed exhibit. The exhibits to the registration statement should be referenced for the complete contents of these contracts and documents. You may obtain copies of this information by mail from the Public Reference Section of the SEC, 100 F Street, N.E., Room 1580, Washington, D.C. 20549, at prescribed rates. You may obtain information on the operation of the public reference rooms by calling the SEC at 1-800-SEC-0330. The SEC also maintains an internet website that contains reports, proxy statements and other information about issuers, like us, that file electronically with the SEC. The address of the SEC's website is www.sec.gov.

In connection with this offering and before this registration statement becomes effective, we will register our common stock with the SEC under Section 12 of the Exchange Act and, upon such registration, we will become subject to the information and periodic reporting requirements of the Exchange Act, and we will file periodic reports, proxy statements and other information with the SEC. These periodic reports, proxy statements and other information will be available for inspection and copying at the public reference room and website of the SEC referred to above. We maintain a website at http://www.superleague.com. You may access our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports, proxy statements and other information filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act with the SEC free of charge at our website as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC. The information contained in, or that can be accessed through, our website is not part of this prospectus.

**INDEX TO FINANCIAL STATEMENTS**

**SUPER LEAGUE GAMING, INC.**

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors
Super League Gaming, Inc.

**Opinion on the Financial Statements**

We have audited the accompanying balance sheets of Super League Gaming, Inc. (the "Company") as of December 31, 2017 and 2016, the related statements of operations, stockholders' equity and cash flows for the years then ended, and the related notes to the financial statements (collectively, the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2017 and 2016, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

**Other Matter**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has suffered recurring losses from operations, has negative operating cash flows from operations, and has a significant accumulated deficit that raise substantial doubt about its ability to continue as a going concern. Management's plans regarding those matters are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to that matter.

**Basis for Opinion**

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

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

**/s/ SQUAR MILNER LLP**

We have served as the Company's auditor since 2016.
Newport Beach, California
September 14, 2018

**SUPER LEAGUE GAMING, INC.**
**BALANCE SHEETS**
**DECEMBER 31, 2017 AND 2016**

| | 2017 | 2016 |
|---|---|---|
| **ASSETS** | | |
| **Current Assets** | | |
| Cash | $ 1,709,473 | $ 2,870,546 |
| Accounts receivable | 113,702 | – |
| Prepaid expenses and other current assets | 780,111 | 41,224 |
| Total current assets | 2,603,286 | 2,911,770 |
| **Property and Equipment, net** | 1,137,817 | 1,804,353 |
| **Intangible and Other Assets, net** | 340,998 | 475,001 |
| Total assets | $ 4,082,101 | $ 5,191,124 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | |
| **Current Liabilities** | | |
| Accounts payable and accrued expenses | $ 383,814 | $ 449,221 |
| Total current liabilities | 383,814 | 449,221 |
| **Commitments and Contingencies (Note 10)** | | |
| **Stockholders' Equity** | | |
| Common stock, par value $0.001 per share; 50,000,000 shares authorized; 13,810,487 and 11,167,852 shares issued and outstanding as of December 31, 2017 and 2016, respectively. | 13,811 | 11,168 |
| Additional paid-in capital | 38,191,133 | 24,281,984 |
| Accumulated deficit | (34,506,657) | (19,551,249) |
| Total stockholders' equity | 3,698,287 | 4,741,903 |
| Total liabilities and stockholders' equity | $ 4,082,101 | $ 5,191,124 |

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

**SUPER LEAGUE GAMING, INC.**
**STATEMENTS OF OPERATIONS**
**FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

| | 2017 | 2016 |
|---|---|---|
| **SALES** | $ 201,182 | $ 269,892 |
| **COST OF SALES** | 1,487,905 | 1,460,438 |
| **GROSS LOSS** | (1,286,723) | (1,190,546) |
| **OPERATING EXPENSES** | | |
| Selling, marketing and advertising | 1,155,506 | 1,295,016 |
| Research and development | 61,543 | 142,380 |
| General and administrative | 12,451,636 | 9,737,460 |
| Total operating expenses | 13,668,685 | 11,174,856 |
| **NET LOSS** | $(14,955,408) | $(12,365,402) |
| **Net loss attributable to common stockholders - basic and diluted** | | |
| Basic and diluted loss per common share | $ (1.17) | $ (1.53) |
| Weighted-average number of shares outstanding, basic and diluted | 12,740,023 | 8,066,901 |

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

**SUPER LEAGUE GAMING, INC.**
**STATEMENTS OF STOCKHOLDERS' EQUITY**
**FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

| | Common Stock | | Additional Paid-in | Accumulated | |
|---|---|---|---|---|---|
| | Shares | Amount | Capital | Deficit | Total |
| **BALANCE – December 31, 2015** | 5,685,892 | $ 5,686 | $7,324,884 | $(7,185,847) | $ 144,723 |
| Conversion of notes payable | 2,714,871 | 2,715 | 8,297,285 | – | 8,300,000 |
| Issuance of common stock for cash at $3.60 per share, net of issuance costs | 1,517,089 | 1,517 | 5,355,128 | – | 5,356,645 |
| Stock options exercised | 70,000 | 70 | 6,930 | – | 7,000 |
| Stock-based compensation | 1,180,000 | 1,180 | 3,297,757 | – | 3,298,937 |
| Net loss | – | – | – | (12,365,402) | (12,365,402) |
| **BALANCE – December 31, 2016** | 11,167,852 | 11,168 | 24,281,984 | (19,551,249) | 4,741,903 |
| Issuance of common stock for cash at $3.60 per share, net of issuance costs | 2,364,857 | 2,365 | 8,242,517 | – | 8,244,882 |
| Stock-based compensation | – | – | 4,666,910 | – | 4,666,910 |
| In-kind contribution of services (Note 7) | 277,778 | 278 | 999,722 | – | 1,000,000 |
| Net loss | – | – | – | (14,955,408) | (14,955,408) |
| **BALANCE – December 31, 2017** | 13,810,487 | $ 13,811 | $38,191,133 | $(34,506,657) | $3,698,287 |

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

**SUPER LEAGUE GAMING, INC.**
**STATEMENTS OF CASH FLOWS**
**FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

| | 2017 | 2016 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Net loss | $(14,955,408) | $(12,365,402) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Depreciation and amortization | 1,237,608 | 963,049 |
| Stock-based compensation | 4,666,910 | 3,298,937 |
| In-kind contribution of services | 333,333 | – |
| Changes in assets and liabilities: | | |
| Accounts receivable | (113,702) | – |
| Prepaid expenses and other current assets | (72,220) | (4,692) |
| Accounts payable and accrued expenses | (65,407) | (206,342) |
| **Net cash used in operating activities** | (8,968,886) | (8,314,450) |
| | | |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Purchase of property and equipment | (327,351) | (1,359,927) |
| Capitalization of software development costs | (109,718) | (195,453) |
| Acquisition of other intangible and other assets | – | (36,570) |
| **Net cash used in investing activities** | (437,069) | (1,591,950) |
| | | |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Proceeds from issuance of common stock | 8,513,480 | 5,431,520 |
| Common stock issuance costs | (268,598) | (74,875) |
| Proceeds from exercise of stock options | – | 7,000 |
| Proceeds from convertible note payable | – | 5,350,000 |
| Repayment on convertible note payable | – | (300,000) |
| **Net cash provided by financing activities** | 8,244,882 | 10,413,645 |
| | | |
| **(DECREASE) INCREASE IN CASH** | (1,161,073) | 507,245 |
| | | |
| **CASH** – beginning of year | 2,870,546 | 2,363,301 |
| | | |
| **CASH** – end of year | $ 1,709,473 | $ 2,870,546 |
| | | |
| **SUPPLEMENTAL NONCASH FINANCING ACTIVITIES** | | |
| Conversion of note payable to common stock | $ – | $ 8,300,000 |
| In-kind contributions (Note 7) | $ 1,000,000 | $ – |
| | | |
| **SUPPLEMENTAL CASH FLOW INFORMATION** | | |
| Income taxes paid | $ 800 | $ 800 |

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

**SUPER LEAGUE GAMING, INC.**
**NOTES TO FINANCIAL STATEMENTS**

## 1. DESCRIPTION OF BUSINESS

Super League Gaming, Inc. ("Super League," the "Company," "we" or "our") is a leading amateur esports community and content platform offering a personalized experience to gamers. Through our proprietary, cloud-based technology platform, we connect our network of gamers, venues and brand partners to enable local, social and competitive esports that can be uniquely broadcast through our platform. We offer daily and season-focused offerings for which amateur competitive gamers establish meaningful connections with each other while improving their skills. We have multi-year strategic partnerships with leading game publishers such as Microsoft and Riot Games with titles including Minecraft and League of Legends, respectively, to drive use among our member base and further penetrate our target market. We deliver enhanced gaming experiences to our members with these titles through our platform, and we provide our venue and brand partners access to our member network and platform technology.

Super League was incorporated on October 1, 2014 as Nth Games, Inc. under the laws of the State of Delaware and changed its name to Super League Gaming, Inc. on June 15, 2015.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***Basis of Presentation***

The financial statements and accompanying notes are prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP").

***Use of Estimates***

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

***Going Concern***

The accompanying financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. As presented in the financial statements, the Company has incurred a net loss of $14.9 million and $12.4 million during the years ended December 31, 2017 and 2016, respectively, and had an accumulated deficit of $34.5 million as of December 31, 2017. Noncash expenses and allowances were significant during the years ended December 31, 2017 and December 31, 2016, and the net cash used in operating activities were $8.9 million and $8.3 million, respectively.

The Company has and will continue to use significant capital for the growth and development of its business. The Company's management expects operating losses to continue in the near term in order to carry out its strategic objectives. The Company considers historical operating results, capital resources and financial position, in combination with current projections and estimates, as part of its plan to fund operations over a reasonable period of time.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***Going Concern*** (continued)

The Company intends to use the proceeds from the issuance of the debt instruments for business expansion, merger and/or acquisitions, game licensing, and working capital. In addition, the Company remains in active discussions for additional funds primarily through the issuance of additional common stock. No assurance can be given that any future financing will be available or, if available, that it will be on terms that are satisfactory to the Company.

The Company's management believes its current cash, net proceeds from debt issuances and the amount available from the issuance of common stock will be sufficient to fund working capital requirements beyond the next 12 months. This belief assumes, among other things, that the Company will be able to raise additional equity financing, will continue to be successful implementing its business strategy and that there will be no material adverse development in the business, liquidity or capital requirements. If one or more of these factors do not occur as expected, it could cause reduction or delay of its business activities, sales of material assets, default on its obligations, or forced into insolvency. The accompanying financial statements do not contain any adjustments which might be necessary if the Company were unable to continue as a going concern.

***Revenue Recognition***

The Company recognizes revenue when (i) persuasive evidence of an arrangement exists, (ii) delivery of the products and/or services has occurred, (iii) the selling price is fixed or determinable, and (iv) the collectability of amounts is reasonably assured.

Super League generates revenues and related cash flows from (i) the sale of season passes to gamers for participation in Super League's in-person and online multiplayer gaming experiences, (ii) brand and media partnerships and (iii) sales of merchandise. Sponsorship and season pass sales revenues are recognized as the events occur. Revenue collected in advance is recorded as deferred revenue until the event occurs. Deferred revenues were not material for the periods presented herein.

***Cost of Sales***

Cost of sales includes direct costs incurred in connection with the production of Super League's in-theater and online gaming events, including theater rental, theater entertainment, licenses, and contract services.

***Advertising***

In-theater gaming event and Super League brand related advertising costs include the cost of ad production, social media, print media, marketing, promotions, and merchandising. The Company expenses advertising costs as incurred. Total advertising expenses for the years ended December 31, 2017 and 2016 were $493,536 and $477,744, respectively, and are included in selling, marketing and advertising expenses in the accompanying statements of operations.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***Cash and Cash Equivalents***

Super League considers all highly liquid, short-term investments with original maturities of three months or less when purchased to be cash equivalents. As of December 31, 2017 and 2016, the Company did not have any cash equivalents.

***Accounts Receivable***

Accounts receivable are recorded at the original invoice amount, less an estimate made for doubtful accounts, if any. The Company provides an allowance for potential credit losses based on its evaluation of the collectability and the customers' creditworthiness. Accounts receivable are written off when they are determined to be uncollectible. As of December 31, 2017 and 2016, no allowance for doubtful accounts was considered necessary.

***Fair Value Measurements***

The Company did not have any assets or liabilities that were measured at fair value on a recurring basis or non-recurring basis as of December 31, 2017 and 2016.

***Concentration of Credit Risks***

The Company maintains its cash on deposit with a bank that is insured by the Federal Deposit Insurance Corporation. At various times, the Company maintained balances in excess of insured amounts. The Company has not experienced any significant losses on its cash held in banks.

***Property and Equipment***

Property and equipment are recorded at cost. Major additions and improvements that materially extend useful lives of property and equipment are capitalized. Maintenance and repairs are charged against the results of operations as incurred. When these assets are sold or otherwise disposed of, the asset and related depreciation are relieved, and any gain or loss is included in the statements of operations for the period of sale or disposal. Depreciation and amortization is computed on a straight-line basis over the estimated useful lives of the assets, typically over a three to five-year period.

***Intangible Assets***

Intangible assets primarily consist of software development costs, domain names, copyrights and other intangible assets which are recorded at cost and amortized using the straight-line method over the estimated useful lives of the assets, ranging from three to ten years.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***Intangible Assets*** (continued)

Software development costs incurred to develop internal-use software during the application development stage are capitalized and amortized on a straight-line basis over the software's estimated useful life, which is generally three years. Software development costs incurred during the preliminary stages of development are charged to expense as incurred. Maintenance and training costs are charged to expense as incurred. Upgrades or enhancements to existing internal-use software that result in additional functionality are capitalized.

***Research and Development Costs***

Research and development costs represent costs incurred to develop the Company's technology and primarily include payments to outside consultants and contractors. Research and development costs are expensed as incurred.

***Impairment of Long-Lived Assets***

The Company assesses the recoverability of long-lived assets whenever events or changes in circumstances indicate that their carrying value may not be recoverable. If the cost basis of a long-lived asset is greater than the projected future undiscounted net cash flows from such asset, an impairment loss is recognized. Impairment losses are calculated as the difference between the cost basis of an asset and its estimated fair value. Management believes that there was no impairment of long-lived assets as of and for the years ended December 31, 2017 and 2016. There can be no assurance, however, that market conditions or demand for the Company's products or services will not change, which could result in long-lived asset impairment charges in the future.

***Stock-Based Compensation***

The compensation cost for all stock-based awards is measured at the grant date, based on the estimated fair value of the award, and is recognized as an expense, generally on a straight-line basis over the employee's requisite service period (generally the vesting period of the equity award) which is typically two to four years. The fair value of restricted stock and restricted stock unit awards is determined by the product of the number of shares or units granted and the grant date market price of the underlying common stock. The fair value of option awards and common stock purchase warrants is estimated on the date of grant using the Black-Scholes-Merton option pricing model. Stock-based compensation expense is recorded only for those awards expected to vest using an estimated forfeiture rate.

Grants of equity-based awards (including warrants) to non-employees in exchange for consulting or other services are accounted for using the fair value of the consideration received (i.e., the value of the goods or services) or the fair value of the equity instruments issued, whichever is more reliably measurable.

***Segment Information***

The Company operates in one segment.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***Earnings (Loss) Per Share***

Basic earnings (loss) per share is computed by dividing the income or loss by the weighted-average number of outstanding shares of common stock for the applicable period. Diluted earnings per share is computed by dividing the income or loss by the weighted-average number of outstanding shares of common stock for the applicable period, including the dilutive effect of common stock equivalents. Potentially dilutive common stock equivalents primarily consist of employee stock options, common stock purchase warrants issued to employee and non-employees in exchange for services and common stock purchase warrants issued in connection with financings. All outstanding stock options, and common stock purchase warrants for the periods presented have been excluded from the computation of diluted loss per share because the effect of inclusion would have been anti-dilutive.

***Income Taxes***

Income taxes are accounted for using an asset and liability approach that requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the Company's financial statements or income tax returns. A valuation allowance is established to reduce deferred tax assets if all, or some portion, of such assets will more than likely not be realized, or if it is determined that there is uncertainty regarding future realizability of such assets.

Under U.S. GAAP, a tax position is a position in a previously filed tax return or a position expected to be taken in a future tax filing that is reflected in measuring current or deferred income tax assets and liabilities. Tax positions are recognized only when it is more likely than not, based on technical merits, that the position will be sustained upon examination. Tax positions that meet the more likely than not thresholds are measured using a probability weighted approach as the largest amount of tax benefit being realized upon settlement. The Company considers many factors when evaluating and estimating its tax positions and tax benefits, which may require periodic adjustments, and which may not accurately forecast actual outcomes. Management believes the Company has no uncertain tax positions for the years ended December 31, 2017 and 2016.

The Company has elected to include interest and penalties related to its tax contingences as a component of income tax expense. There were no accruals for interest and penalties related to uncertain tax positions for the periods presented. Income tax returns remain open for examination by applicable authorities, generally three years from filing for federal and four years for state. The Company is not currently under examination by any taxing authority nor has it been notified of an impending examination.

***Recent Accounting Guidance***

In May 2014, the Financial Accounting Standards Board ("FASB") issued an accounting update requiring a company to recognize as revenue the amount of consideration it expects to be entitled to in connection with the transfer of promised goods or services to customers. The accounting standard update will replace the existing revenue recognition guidance currently promulgated by U.S. GAAP. The new guidance is effective for annual periods beginning after December 15, 2018, with early adoption permitted. The Company is in the process of evaluating the impact, if any, of the update on its financial position, results of operations and financial statement disclosures.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***Recent Accounting Guidance*** (continued)

In February 2016, the FASB issued an accounting update that requires lessees to present right-of-use assets and lease liabilities on the balance sheet. The new guidance is to be applied using a modified retrospective approach at the beginning of the earliest comparative periods in the financial statements and is effective for fiscal years beginning after December 15, 2019 and early adoption is permitted. The Company is evaluating the impact that this guidance will have on its financial position, results of operations and financial statement disclosures.

**3. PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following at December 31, 2017 and 2016:

| | 2017 | 2016 |
|---|---|---|
| Furniture and fixtures | $ 76,156 | $ 48,793 |
| Computer hardware | 3,073,319 | 2,773,331 |
| | 3,149,475 | 2,822,124 |
| Less: accumulated depreciation and amortization | (2,011,658) | (1,017,771) |
| | $ 1,137,817 | $ 1,804,353 |

Depreciation and amortization expense was $993,887 and $769,045 for the years ended December 31, 2017 and 2016, respectively.

**4. INTANGIBLE AND OTHER ASSETS**

Intangible and other assets consisted of the following as of December 31, 2017 and 2016:

| | 2017 | 2016 |
|---|---|---|
| Capitalized software development costs | $ 762,572 | $ 652,854 |
| Domain | 65,579 | 65,579 |
| Copyrights and other | 36,570 | 36,570 |
| | 864,721 | 755,003 |
| Less: accumulated amortization | (523,723) | (280,002) |
| | $ 340,998 | $ 475,001 |

Amortization expense totaled $243,721 and $194,004 for the years ended December 31, 2017 and 2016, respectively.

**4. INTANGIBLE AND OTHER ASSETS** (continued)

Future amortization expense of intangible and other assets is expected as follows:

| For the years ending December 31: | |
|---|---|
| 2018 | $ 196,126 |
| 2019 | 76,630 |
| 2020 | 35,887 |
| 2021 | 11,003 |
| 2022 | 6,558 |
| Thereafter | 14,794 |
| | $ 340,998 |

**5. GAMING LICENSE AGREEMENT**

In June 2016, the Company entered into a gaming license agreement whereby the Company agreed to issue 500,000 shares of common stock purchase warrants ("License Warrants") and 550,000 shares of restricted stock units ("License RSUs") when the following performance or service conditions are met:

| **Vesting Conditions for License Warrant** | **Category** | **Number of License Warrants** |
|---|---|---|
| Achievement of: | | |
| Greater than $5.0 million game related net revenues | Performance | 125,000 |
| Greater than $15.0 million game related net revenues | Performance | 175,000 |
| Greater than $35.0 million game related net revenues | Performance | 200,000 |
| | | 500,000 |

| **Vesting Conditions for License RSUs** | **Category** | **Number of License RSUs** |
|---|---|---|
| Execution of the gaming license agreement | Service | 137,500 |
| 9-month anniversary | Service | 137,500 |
| 18-month anniversary | Service | 275,000 |
| | | 550,000 |

The License Warrants have a five-year contractual term with an exercise price of $3.00 per share, with vesting upon satisfactory performance under the gaming license agreement. The value of the License Warrants would be measured when any of vesting conditions are satisfied. As of December 31, 2017, it was not probable that the vesting conditions would be met. Accordingly, no expense for the License Warrants was recognized during the years ended December 31, 2017 and 2016.

**5. GAMING LICENSE AGREEMENT** (continued)

The License RSUs were expensed on a straight-line basis over the contractual license term of 18-months beginning June 2016 and ending December 31, 2017. Total expense included in cost of sales related to License RSUs for the years ended December 31, 2017 and 2016 totaled $1,054,167 and $595,833, respectively.

**6. CONVERTIBLE NOTE PAYABLE TO A RELATED PARTY**

In October 2015, the Company entered into a non-interest bearing, unsecured convertible note in the principal amount of $3,250,000 (the "2015 Note") with a stockholder of the Company. In April 2016, the 2015 Note automatically converted into 1,163,387 shares of common stock pursuant to the terms of the 2015 Note.

In April 2016, the Company entered into non-interest bearing, unsecured convertible notes with an aggregate principal amount of $5,350,000 (the "2016 Notes") with certain stockholders of the Company, $5,050,000 of such principal amount was automatically converted into 1,551,484 shares of common stock in October 2016 upon closing of a "qualified equity offering" (as such term is defined in the 2016 Notes) pursuant to the terms of the 2016 Notes. The remaining principal amount of $300,000 was fully repaid by the Company during the year ended December 31, 2016.

**7. STOCKHOLDERS' EQUITY**

***Preferred Stock***

The Company's initial certificate of incorporation authorized 5,000,000 shares of preferred stock, par value $0.001 per share. No preferred stock had been issued and outstanding since inception of the Company. In October 2016, the Company's Board of Directors and a majority of the holders of the Company's common stock approved an amendment and restatement of the certificate of incorporation which, in part, eliminated the authorized preferred stock. All references in the accompanying financial statements to preferred stock have been restated to reflect the amended and restated certificate of incorporation.

***Common Stock***

Each holder of common stock is entitled to one vote for each share of common stock held at all meetings of stockholders.

**7. STOCKHOLDERS' EQUITY** (continued)

***Common Stock Purchase Warrants***

The Company issued common stock purchase warrants to certain employees and non-employees in exchange for services performed, subject to certain vesting conditions. The warrants have expiration dates ranging from five to 10 years from the date of grant and exercise prices ranging from $0.10 to $3.60 per share. A summary of warrant activity for the year ended December 31, 2017 is as follows:

| | Warrants (#) | Weighted-Average Exercise Price Per Share ($) | Weighted-Average Remaining Contractual Term (Years) | Aggregate Intrinsic Value ($) |
|---|---|---|---|---|
| Outstanding at December 31, 2016 | 1,778,125 | $ 2.63 | 3.85 | $ 1,725,000 |
| Granted | 1,016,750 | $ 3.57 | | |
| Forfeited or cancelled | (250,000) | $ 3.17 | | |
| Outstanding at December 31, 2017 | 2,544,875 | $ 2.97 | 5.76 | $ 1,609,800 |
| Vested and exercisable as of December 31, 2017 | 1,191,375 | $ 2.70 | | $ 1,077,300 |

Compensation expense related to common stock purchase warrants was $1,664,563 and $1,188,046 for the years ended December 31, 2017 and 2016, respectively. The weighted-average grant date fair value of warrants granted during the years ended December 31, 2017 and 2016 was $2.59 and $2.43, respectively. The aggregate fair value of warrants that vested during the years ended December 31, 2017 and 2016 was $1,651,891 and $1,146,046, respectively.

As of December 31, 2017, the total unrecognized compensation expense related to warrants was $3,599,282, which is expected to be recognized over a weighted-average term of approximately 2.94 years.

***In-Kind Contribution of Services***

For the year ended December 31, 2017, the Company recorded $1,000,000 as in-kind contributions of media services provided by a major media network, in exchange for 277,778 shares of common stock,of which $333,333 was expensed for usage and the remaining $666,667 was included in prepaid expenses and other current assets in the accompanying balance sheet as of December 31, 2017.

## 8. STOCK-BASED INCENTIVE PLANS

The Super League 2014 Stock Option and Incentive Plan (the "Plan" or "SOP") was approved by the Board of Directors and the stockholders of Super League in October 2014. The Plan allows grants of stock options, stock awards and performance shares with respect to common stock of the Company to eligible individuals, which generally includes directors, officers, employees, advisors and consultants. The Plan provides for both the direct award and sale of shares of common stock and for the grant of options to purchase shares of common stock. Options granted under the Plan include non-statutory options as well as incentive options intended to qualify under Section 422 of the Internal Revenue Code of 1986, as amended.

The Board of Directors administers the Plan and determines which eligible individuals are to receive option grants or stock issuances under the Plan, the times when the grants or issuances are to be made, the number of shares of common stock subject to each grant or issuance, the status of any granted option as either an incentive stock option or a non-statutory stock option under the federal tax laws, the vesting schedule to be in effect for the option grant or stock issuance and the maximum term for which any granted option is to remain outstanding. The exercise price of options is generally equal to the fair market value of common stock of the Company on the date of grant. Options generally begin to be exercisable six months to one year after grant and typically expire 10 years after grant. Stock options and restricted shares generally vest over two to four years (generally representing the requisite service period). The Plan terminates no later than the tenth anniversary of the approval of the Plan by stockholders of the Company (October 2024). The Plan provides for the following programs:

***Option Grants***

Under the discretionary option grant program, Super League's compensation committee may grant (1) non-statutory options to purchase shares of common stock to eligible individuals in the employ or service of Super League or its affiliates (including employees, non-employee members of the Board of Directors and consultants) at

an exercise price not less than 85% of the fair market value of such shares on the grant date, and (2) incentive stock options to purchase shares of common stock to eligible employees at an exercise price not less than 100% of the fair market value of such shares on the grant date (not less than 110% of fair market value if such employee actually or constructively owns more than 10% of Super League's voting stock or the voting stock of any of its subsidiaries).

***Stock Awards or Sales***

Under the stock award or sales program, eligible individuals may be issued shares of common stock of the Company directly, upon the attainment of performance milestones or the completion of a specified period of service or as a bonus for past services. Under this program, the purchase price for the shares will not be less than 100% of the fair market value of the shares on the date of issuance, and payment may be in the form of cash or past services rendered. Eligible individuals will have no stockholder rights with respect to any unvested restricted shares or restricted stock units issued to them under the stock award or sales program; however, eligible individuals will have the right to receive any regular cash dividends paid on such shares.

**8. STOCK-BASED INCENTIVE PLANS** (continued)

***Stock Awards or Sales*** (continued)

The initial reserve under the Plan was 1,750,000 shares of common stock and subsequently increased to 3,000,000 shares upon stockholders' approval in May 2016. In July 2017, the Company amended and restated the SOP to increase the number of shares of common stock reserved thereunder from 3,000,000 shares to 4,500,000 shares.

Super League issues new shares of common stock upon the exercise of stock options, the grant of restricted stock, or the delivery of shares pursuant to vested restricted stock units. The Board of Directors may amend or modify the Plan at any time, subject to any required approval by the stockholders of the Company, pursuant to the terms therein.

***Stock Options***

The fair value of stock options granted were estimated on their respective grant dates using the Black-Scholes-Merton option pricing model and the following assumptions for the years ended December 31, 2017 and 2016:

| | 2017 | 2016 |
|---|---|---|
| Volatility | 104% | 122% |
| Risk–free interest rate | 1.75% to 2.24% | 1.43% to 2.45% |
| Dividend yield | 0% | 0% |
| Expected life of options (in years) | 5.00 to 6.81 | 5.50 to 6.25 |
| Weighted-average fair value of common stock | $3.60 | $3.10 |

A summary of stock option activity for the year ended December 31, 2017 as follows:

| | Options (#) | Weighted-Average Exercise Price Per Share ($) | Weighted-Average Remaining Contractual Term (Years) | Aggregate Intrinsic Value ($) |
|---|---|---|---|---|
| Outstanding at December 31, 2016 | 2,414,500 | $ 2.38 | 7.86 | $ 2,942,700 |
| Granted | 1,914,320 | $ 3.49 | 9.52 | $ 217,200 |
| Exercised | | | | |
| Canceled / forfeited | (1,003,646) | $ 2.98 | 8.36 | $ 619,000 |
| Outstanding at December 31, 2017 | 3,325,174 | $ 2.84 | 8.66 | $ 2,540,900 |
| Vested and exercisable at December 31, 2017 | 1,603,385 | $ 2.30 | 8.17 | $ 2,088,456 |

Compensation expense related to stock options was $1,948,179 and $915,058 for the years ended December 31, 2017 and 2016, respectively. The weighted-average grant date fair value of stock options granted during the years ended December 31, 2017 and 2016 was $2.87 and $2.66, respectively. The aggregate fair value of stock options that vested during the years ended December 31, 2017 and 2016 was $2,601,477 and $915,058, respectively.

**8. STOCK-BASED INCENTIVE PLANS** (continued)

***Stock Options*** (continued)

As of December 31, 2017, the total unrecognized compensation expense related to non-vested stock option awards was $5,442,097, which is expected to be recognized over a weighted-average term of approximately 2.66 years.

***Restricted Stock Units***

The following table summarizes non-vested restricted stock unit activity for the year ended December 31, 2017:

| | Restricted Stock Units (#) | Weighted Average Grant Date Fair Value ($) |
|---|---|---|
| Non-vested restricted stock units at December 31, 2016 | 437,500 | $ 2.91 |
| Granted | – | |
| Vested | (412,500) | |
| Canceled | – | |
| Non-vested restricted stock units at December 31, 2017 | 25,000 | $ 2.00 |

Compensation expense related to restricted stock units, including the License RSUs described in Note 5, was $1,054,167 and $1,195,833 during the years ended December 31, 2017 and 2016, respectively. As of December 31, 2017, the total unrecognized compensation expenses related to non-vested restricted stock units was $16,040, which will be recognized during the Company's fiscal year ending December 31, 2018

**9. INCOME TAXES**

Super League's provision for income taxes consisted of the following for the years ended December 31, 2017 and 2016:

| | 2017 | 2016 |
|---|---|---|
| Current: | | |
| Federal taxes | $ – | $ – |
| State taxes | 800 | 800 |
| Total current | 800 | 800 |

**9. INCOME TAXES** (continued)

| | 2017 | 2016 |
|---|---|---|
| Deferred: | | |
| Federal taxes | 675,668 | 3,830,923 |
| State taxes | 1,390,658 | 995,873 |
| Subtotal | 2,066,326 | 4,826,796 |
| Change in valuation allowance | (2,066,326) | (4,826,796) |
| Total deferred | – | – |
| Provision for income taxes | $ 800 | $ 800 |

The tax effects of temporary differences and carryforwards that give rise to significant portions of deferred tax assets and liabilities consist of the following as of December 31, 2017 and 2016.

| | 2017 | 2016 |
|---|---|---|
| Deferred tax assets (liabilities): | | |
| Net operating loss and credits | $ 8,400,379 | $ 6,904,131 |
| Stock compensation | 1,807,452 | 1,188,748 |
| Fixed assets and intangibles | (257,538) | (288,201) |
| Accrued liabilities and other | (26,730) | 52,392 |
| Total deferred tax assets | 9,923,563 | 7,857,070 |
| Valuation allowance | (9,923,563) | (7,857,070) |
| Total deferred tax assets, net of valuation allowance | $ - | $ - |

A reconciliation of the federal statutory income tax rate and the effective income tax rate is as follows:

| | 2017 | 2016 |
|---|---|---|
| Statutory federal tax rate - (benefit) expense | 35 % | 35% |
| Non-deductible permanent items | (1) | (1) |
| Change in tax rate | (29) | - |
| Valuation allowance | (5) | (34) |
| | - % | - % |

For the years ended December 31, 2017 and 2016, the Company recorded full valuation allowances against its net deferred tax assets due to uncertainty regarding future realizability pursuant to guidance set forth in the FASB's Accounting Standards Codification Topic No. 740, *Income Taxes*. In future periods, if the Company determines it will more likely than not be able to realize these amounts, the applicable portion of the benefit from the release of the valuation allowance will generally be recognized in the statements of operations in the period the determination is made.

At December 31, 2017, the Company had U.S. federal and state income tax net operating loss carryforwards approximating $27,800,000, expiring through 2037. Utilization of the net operating loss carryforwards may be subject to a substantial annual limitation due to ownership change limitations that may have occurred or that could occur in the future, as required by Section 382 of the Internal Revenue Code of 1986, as amended, as well as similar state provisions. The Company has not completed a study to assess whether an ownership change has occurred or whether there have been multiple ownership changes since the Company's formation due to the complexity and cost associated with such a study, and the fact that there may be additional such ownership changes in the future.

On December 22, 2017, new U.S. federal tax legislation was enacted that significantly changed the U.S. federal income taxation of U.S. corporations, including by reducing the U.S. corporate income tax rate from 35% to 21%, revising the rules governing net operating losses and foreign tax credits, and introducing new anti-base erosion provisions. Many of the changes were effective immediately, without any transition periods or grandfathering for existing transactions. The legislation is unclear in many respects and could be subject to potential amendments and technical corrections, as well as interpretations and implementing regulations by the U.S. Department of the Treasury and the Internal Revenue Service ("IRS"), any of which could decrease or increase certain adverse impacts of the legislation. In addition, it is unclear how these U.S. federal income tax changes will affect state and local taxation, which often uses federal taxable income as a starting point for computing state and local tax liabilities.

**9. INCOME TAXES** (continued)

The new legislation reduced the corporate income tax rate from 35% to 21% effective January 1, 2018. As a result, all deferred income tax assets and liabilities, including NOL's, have been measured using the new rate under and are reflected in the valuation of these assets as of December 31, 2017. The value of our deferred tax assets has decreased by $4,278,626 and the related valuation allowance has been reduced by the same amount. Our analysis and interpretation of this legislation is ongoing. Given the full valuation allowance provided for net deferred tax assets for the periods presented herein, the change in tax law did not have a material impact on the Company's financial statements provided herein. There may be additional tax impacts identified in subsequent periods throughout the Company's fiscal year ending December 31,2018 in accordance with subsequent interpretive guidance issued by the SEC or the IRS. Further, there may be other material adverse effects resulting from the legislation that we have not yet identified. No estimated tax provision has been recorded for tax attributes that are incomplete or subject to change.

## 10. COMMITMENTS AND CONTINGENCIES

***Operating Leases***

The Company leases office space under an operating lease agreement which expired on May 31, 2017 and was amended to a month-to-month lease.

Rent expense for the years ended December 31, 2017 and 2016 were approximately $238,000 and $184,000, respectively, and is included in general and administrative expenses in the accompanying statements of operations. Rental payments are expensed in the statements of operations in the period to which they relate. Scheduled rent increases, if any, are amortized on a straight-line basis over the lease term.

## 11. SUBSEQUENT EVENTS

The Company evaluated subsequent events for their potential impact on the financial statements and disclosures through the date the annual audited financial statements were available to be issued.

In May through June 2018, the Company issued 9.00% secured convertible promissory notes (the "2018 Notes") in the aggregate principal amount of $4,964,000. The 2018 Notes (i) accrue simple interest at the rate of 9.00% per annum, (ii) mature on the earlier of the closing of an initial public offering ("IPO") of the Company's common stock on a national securities exchange or April 30, 2019, and (iii) all outstanding principal and accrued interest is automatically convertible into shares of common stock upon the close of an IPO at the lesser of (x) $3.60 per share or (y) a 15% discount to the price per share of the IPO. In addition, the holders of the 2018 Notes were collectively issued 1,561,023 warrants to purchase common stock equal to 100% of the principal amount of the 2018 Notes (including accrued interest as described below) divided by $3.60 per share. The warrants are exercisable for a term of five years, commencing on the close of an IPO, at an exercise price equal to the lesser of (x) $3.60 per share or (y) a 15% discount to the IPO price per share (the "2018 Warrants"). The 2018 Warrants have a term of five years and are callable at the election of the Company at any time following the closing of an IPO.

**11. SUBSEQUENT EVENTS** (continued)

In February through April 2018, the Company issued 9.00% secured convertible promissory notes (the "Initial 2018 Notes") with a collective face value of $3,000,000. The Initial 2018 Notes (i) accrued simple interest at the rate of 9.00% per annum, (ii) matured on the earlier of December 31, 2018 or the close of a $15,000,000 equity financing ("Qualifying Equity Financing") by the Company, and (iii) all outstanding principal and accrued interest was automatically convertible into equity or equity-linked securities sold in the Qualifying Equity Financing based upon a conversion rate equal to (x) a 10% discount to the price per share of the Qualifying Equity Financing, with (y) a floor of $3.60 per share. In addition, the holders of the Initial 2018 Notes were collectively issued warrants to purchase approximately 166,667 shares of common stock, with an exercise price of $3.60 per share and a term of five years (the "Initial 2018 Warrants").

In May 2018, all of the Initial 2018 Notes and related accrued interest, totaling $3,055,886, were converted into the 2018 Notes. The holders of the Initial 2018 Notes who converted into the 2018 Notes retained their respective Initial 2018 Warrants. The totals for the 2018 Notes and 2018 Warrants disclosed above include amounts converted related to the Initial 2018 Notes and Initial 2018 Warrants.

Subsequent to June 30, 2018, the Company issued additional 9.00% secured convertible promissory notes in the aggregate principal amount of $8,036,204, in connection with the 2018 Notes financing round, which closed in August 2018. In connection with the additional 2018 Notes issued, the Company issued 2,232,278 common stock purchase warrants to such holders.

In August 2018, the Company's Board of Directors approved a second amendment and restatement of the Company's amended and restated certificate of incorporation (the "Amended and Restated Charter") to (i) increase the Company's authorized capital to a total of 110.0 million shares, consisting of 100.0 million shares of common stock and 10.0 million shares of newly created preferred stock, par value $0.001 per share ("Preferred Stock"); (ii) authorize the Company's Board of Directors to fix the designation and number of each series of Preferred Stock, and to determine or change the designation, relative rights, preferences, and limitations of any series of Preferred Stock; and (iii) remove the deemed liquidation provision, as such term is defined in the Amended and Restated Charter. The Amended and Restated Charter was approved by a majority of the Company's stockholders in September 2018, and will become effective upon filing with the State of Delaware.

**SUPER LEAGUE GAMING, INC.**
**INTERIM CONDENSED BALANCE SHEET**
**JUNE 30, 2018**
**(UNAUDITED)**

**ASSETS**

| | |
|---|---|
| **Current Assets** | |
| Cash | $ 785,269 |
| Accounts receivable | 310,900 |
| Prepaid expenses and other current assets | 468,083 |
| Total current assets | 1,564,252 |
| | |
| **Property and Equipment, net** | 844,009 |
| **Intangible and Other Assets, net** | 340,814 |
| | |
| Total assets | $ 2,749,075 |
| | |
| **LIABILITIES AND STOCKHOLDERS' DEFICIT** | |
| | |
| **Current Liabilities** | |
| Accounts payable and accrued expenses | $ 287,349 |
| Convertible debt and accrued interest, net | 3,057,851 |
| Total current liabilities | 3,345,200 |
| | |
| **Commitments and Contingencies (Note 8)** | |
| | |
| **Stockholders' deficit** | |
| Common stock, par value $0.001 per share; 50,000,000 shares authorized; 13,810,487 shares issued and outstanding | 13,811 |
| Additional paid-in capital | 42,030,167 |
| Accumulated deficit | (42,640,103) |
| Total stockholders' deficit | (596,125) |
| | |
| Total liabilities and stockholders' deficit | $ 2,749,075 |

*The accompanying notes are an integral part of these interim condensed financial statements.*

**SUPER LEAGUE GAMING, INC.**
**INTERIM CONDENSED STATEMENTS OF OPERATIONS**
**(UNAUDITED)**

| | For the Six Months Ended June 30, 2018 | June 30, 2017 |
|---|---|---|
| **SALES** | $ 486,859 | $ 34,042 |
| **COST OF SALES** | 304,872 | 744,188 |
| **GROSS PROFIT (LOSS)** | 181,987 | (710,146) |
| **OPERATING EXPENSES** | | |
| Selling, marketing and advertising | 668,648 | 372,638 |
| Research and development | 7,670 | 27,534 |
| General and administrative | 7,244,139 | 5,705,805 |
| Total operating expenses | 7,920,457 | 6,105,977 |
| Net operating loss | (7,738,470) | (6,816,123) |
| **OTHER INCOME (EXPENSE)** | | |
| Interest expense | (397,051) | (11) |
| Other | 2,076 | 400 |
| Total other income (expense) | (394,975) | 389 |
| **NET LOSS** | $ (8,133,445) | $ (6,815,734) |
| **Net loss attributable to common stockholders - basic and diluted** | | |
| Basic and diluted loss per common share | $ (0.59) | $ (0.58) |
| Weighted-average number of shares outstanding, basic and diluted | 13,810,487 | 11,667,164 |

*The accompanying notes are an integral part of these interim condensed financial statements.*

**SUPER LEAGUE GAMING, INC.**
**INTERIM CONDENSED STATEMENTS OF CASH FLOWS**
**(UNAUDITED)**

| | Six Months Ended June 30, | |
|---|---|---|
| | **2018** | **2017** |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Net loss | $ (8,133,445) | $ (6,815,734) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Depreciation and amortization | 535,678 | 617,616 |
| Stock-based compensation | 1,687,575 | 1,671,688 |
| Amortized license fees – restricted stock units (Note 5) | - | 550,000 |
| Amortization of discount on convertible notes (Note 6) | 297,739 | – |
| In-kind contribution of services (Note 7) | 294,667 | – |
| Changes in assets and liabilities: | | |
| Accounts receivable | (289,400) | – |
| Prepaid expenses and other current assets | 109,562 | (14,986) |
| Accounts payable and accrued expenses | (96,466) | 133,126 |
| Accrued interest on convertible notes | 99,275 | – |
| **Net cash used in operating activities** | (5,494,815) | (3,858,290) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Purchase of property and equipment | (135,116) | (191,585) |
| Capitalization of software development costs | (79,505) | (45,626) |
| Acquisition of other intangible and other assets | (27,065) | – |
| **Net cash used in investing activities** | (241,686) | (237,211) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Proceeds from issuance of common stock, net of issuance costs | - | 3,618,901 |
| Proceeds from convertible note payable, net of issuance costs | 4,812,297 | - |
| **Net cash provided by financing activities** | 4,812,297 | 3,618,901 |
| **DECREASE IN CASH** | (924,204) | (476,600) |
| **CASH –** beginning of period | 1,709,473 | 2,870,546 |
| **CASH** – end of period | $ 785,269 | $ 2,393,946 |
| **SUPPLEMENTAL NONCASH FINANCING ACTIVITIES** | | |
| Conversion of convertible debt (Note 6) | $ 3,000,000 | $ – |
| In-kind contributions (Note 7) | $ – | $ 1,000,000 |
| Common stock purchase warrants – discount on convertible debt | $ 2,151,459 | $ – |
| Common stock subscription receivable | $ – | $ 2,625,979 |

*The accompanying notes are an integral part of these interim condensed financial statements.*

**SUPER LEAGUE GAMING, INC.**
**NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS**
**(UNAUDITED)**

## 1. DESCRIPTION OF BUSINESS

Super League Gaming, Inc. ("Super League," the "Company," "we" or "our") is a leading amateur esports community and content platform offering a personalized experience to gamers. Through our proprietary, cloud-based technology platform, we connect our network of gamers, venues and brand partners to enable local, social and competitive esports that can be uniquely broadcast through our platform. We offer daily and season-focused offerings for which amateur competitive gamers establish meaningful connections with each other while improving their skills. We have multi-year strategic partnerships with leading game publishers such as Microsoft and Riot Games, with titles including Minecraft and League of Legends, respectively, to drive use among our member base and further penetrate our target market. We deliver enhanced gaming experiences to our members with these titles through our platform, and we provide our venue and brand partners access to our member network and platform technology.

Super League was incorporated on October 1, 2014 as Nth Games, Inc. under the laws of the State of Delaware and changed its name to Super League Gaming, Inc. on June 15, 2015. We are an "emerging growth company" as defined by the Jumpstart Our Business Startups Act of 2012, as amended.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***Basis of Presentation***

The accompanying interim condensed financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") for interim financial information. Accordingly, certain information and footnotes required by U.S. GAAP in annual financial statements have been omitted or condensed in accordance with quarterly reporting requirements of the Securities and Exchange Commission ("SEC"). These interim condensed financial statements should be read in conjunction with the audited financial statements and notes thereto for the year ended December 31, 2017.

The interim condensed financial statements of the Company include all adjustments of a normal recurring nature which, in the opinion of management, are necessary for a fair statement of the Company's financial position as of June 30, 2018, and results of its operations and its cash flows for the interim periods presented. The results of operations for the six months ended June 30, 2018 are not necessarily indicative of the results to be expected for the entire fiscal year.

***Use of Estimates***

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

***Going Concern***

The accompanying interim condensed financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. As presented in the interim condensed financial statements, the Company incurred net losses of $8.1 million and $6.8 million during the six months ended June 30, 2018 and 2017, respectively, and had an accumulated deficit of $42.6 million as of June 30, 2018. Noncash expenses totaled $2,2815,659 and $2,839,304 for the six months ended June 30, 2018 and June 30, 2017, respectively. Net cash used in operating activities totaled $5.5 million and $3.9 million, for the six months ended June 30, 2018 and June 30, 2017, respectively.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

The Company has and will continue to use significant capital for the growth and development of its business.

The Company's management expects operating losses to continue in the near term in connection with the pursuit of its strategic objectives. The Company considers historical operating results, capital resources and financial position, in combination with current projections and estimates, as part of its plan to fund operations over a reasonable period.

Subsequent to June 30, 2018, the Company completed its convertible debt financing round raising additional gross proceeds totaling approximately $8,036,204. The Company intends to use the proceeds from the sale of the notes for business expansion, merger and/or acquisitions, game licensing, and working capital. In addition, the Company remains in active discussions for additional funds primarily through the issuance of additional common stock. No assurance can be given that any future financing will be available or, if available, that it will be on terms that are satisfactory to the Company.

The Company's management believes its current cash, net proceeds from debt issuances and the amount available from the issuance of common stock will be sufficient to fund working capital requirements beyond the next 12 months. This belief assumes, among other things, that the Company will be able to raise additional equity financing, will continue to be successful implementing its business strategy and that there will be no material adverse development in the business, liquidity or capital requirements. If one or more of these factors do not occur as expected, it could cause reduction or delay of its business activities, sales of material assets, default on its obligations, or forced into insolvency. The accompanying financial statements do not contain any adjustments which might be necessary if the Company were unable to continue as a going concern.

***Revenue Recognition***

The Company recognizes revenue when (i) persuasive evidence of an arrangement exists, (ii) delivery of the products and/or services has occurred, (iii) the selling price is fixed or determinable, and (iv) the collectability of amounts is reasonably assured.

Super League generates revenues and related cash flows from (i) the sale of subscriptions to gamers for participation in Super League's in-person and online multiplayer gaming experiences, (ii) brand and media partnerships and (iii) sales of merchandise.

To date, subscription revenues have consisted of the sale of season passes to gamers for participation in our in-person and or online multiplayer gaming experiences. For the periods presented herein, season passes for gaming experiences were primarily comprised of multi-week packages and include one-time, single experience admissions.
Subscription and sponsorship revenues are recognized as the events occur. Revenue collected in advance is recorded as deferred revenue until the event occurs. Deferred revenues were not material for the periods presented herein.

***Cost of Sales***

Cost of sales includes direct costs incurred in connection with the production of Super League's in-person and online gaming events, including theater rental, theater entertainment, licenses, and contract services.

***Advertising***

In-theater gaming event and Super League brand related advertising costs include the cost of ad production, social media, print media, marketing, promotions, and merchandising. The Company expenses advertising costs as incurred. Advertising expenses for the six months ended June 30, 2018 and 2017 were $199,424 and $158,889, respectively, and are included in selling, marketing and advertising expenses in the accompanying statements of operations.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***Cash and Cash Equivalents***

Super League considers all highly liquid, short-term investments with original maturities of three months or less when purchased to be cash equivalents. As of June 30, 2018, the Company did not have any cash equivalents.

***Accounts Receivable***

Accounts receivable are carried at the original invoice amount, less an estimate made for doubtful accounts, if any. The Company provides an allowance for doubtful account for potential credit losses based on its evaluation of collectability and the customers' creditworthiness. Accounts receivable are written off when they are determined to be uncollectible. As of June 30, 2018, no allowance for doubtful account was provided.

***Fair Value Measurements***

The Company did not have any assets or liabilities that were measured at fair value on a recurring basis or non-recurring basis as of June 30, 2018.

***Concentration of Credit Risks***

The Company maintains its cash on deposit with a bank that is insured by the Federal Deposit Insurance Corporation. At various times, the Company maintained balances in excess of insured amounts. The Company has not experienced any significant losses on its cash held in banks.

***Property and Equipment***

Property and equipment are recorded at cost. Major additions and improvements that materially extend useful lives of property and equipment are capitalized. Maintenance and repairs are charged against the results of operations as incurred. When these assets are sold or otherwise disposed of, the asset and related depreciation are relieved, and any gain or loss is included in the statements of operations for the period of sale or disposal. Depreciation and amortization are computed on a straight-line basis over the estimated useful lives of the assets, typically over a three to five-year period.

***Intangible Assets***

Intangible assets primarily consist of software development costs, domain names, copyrights and other intangible assets which are recorded at cost and amortized using the straight-line method over the estimated useful lives of the assets, ranging from three to ten years.

Software development costs incurred to develop internal-use software during the application development stage are capitalized and amortized on a straight-line basis over the software's estimated useful life, which is generally three years. Software development costs incurred during the preliminary stages of development are charged to expense as incurred. Maintenance and training costs are charged to expense as incurred. Upgrades or enhancements to existing internal-use software that result in additional functionality are capitalized.

***Research and Development Costs***

Research and development costs represent costs incurred to develop the Company's technology and primarily include payments to outside consultants and contractors. Research and development costs are expensed as incurred.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***Impairment of Long-Lived Assets***

The Company assesses the recoverability of long-lived assets whenever events or changes in circumstances indicate that their carrying value may not be recoverable. If the cost basis of a long-lived asset is greater than the projected future undiscounted net cash flows from such asset, an impairment loss is recognized. Impairment losses are calculated as the difference between the cost basis of an asset and its estimated fair value. Management believes that there was no impairment of long-lived assets for the periods presented herein. There can be no assurance, however, that market conditions or demand for the Company's products or services will not change, which could result in long-lived asset impairment charges in the future.

***Stock-Based Compensation***

The compensation cost for all stock-based awards is measured at the grant date, based on the estimated fair value of the award, and is recognized as an expense, typically on a straight-line basis over the employee's requisite service period (generally the vesting period of the equity award) which is generally two to four years. The fair value of restricted stock and restricted stock unit awards is determined by the product of the number of shares or units granted and the grant date market price of the underlying common stock. The fair value of stock options and common stock purchase warrants is estimated on the date of grant utilizing the Black-Scholes-Merton option pricing model. The fair values of stock options and common stock purchase warrants granted during the periods presented were estimated using the following weighted-average assumptions:

| | Six Months Ended June 30, | |
|---|---|---|
| | **2018** | **2017** |
| Volatility | 101% | 104% |
| Risk–free interest rate | 2.73% to 2.83% | 1.46% to 2.21% |
| Dividend yield | 0% | 0% |
| Expected life of options (in years) | 5.0-6.11 | 2.50 to 6.08 |
| Weighted-average fair value of common stock | $3.60 | $3.60 |

Stock-based compensation expense is recorded only for those awards expected to vest using an estimated forfeiture rate.

Grants of equity-based awards (including warrants) to non-employees in exchange for consulting or other services are accounted for using the fair value of the consideration received (i.e., the value of the goods or services) or the fair value of the equity instruments issued, whichever is more reliably measurable.

Compensation expense related to stock options was $1,229,068 and $776,722 for the six months ended June 30, 2018 and 2017, respectively. Compensation expense related to restricted stock was $5,718 and $0 for the six months ended June 30, 2018 and 2017, respectively. Refer to Note 7 for common stock purchase warrant expense for the interim periods presented.

***Earnings (Loss) Per Share***

Basic earnings (loss) per share is computed by dividing the income or loss by the weighted-average number of outstanding shares of common stock for the applicable period. Diluted earnings per share is computed by dividing the income or loss by the weighted-average number of outstanding shares of common stock for the applicable period, including the dilutive effect of common stock equivalents. Potentially dilutive common stock equivalents primarily consist of employee stock options, common stock purchase warrants issued to employee and non-employees in exchange for services and common stock purchase warrants issued in connection with financings. All outstanding stock options, and common stock purchase warrants for the periods presented have been excluded from the computation of diluted loss per share because the effect of inclusion would have been anti-dilutive.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***Income Taxes***

Income taxes are accounted for using an asset and liability approach that requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the Company's interim condensed financial statements or income tax returns. A valuation allowance is established to reduce deferred tax assets if all, or some portion, of such assets will more than likely not be realized, or if it is determined that there is uncertainty regarding future realization of such assets.

The provision for income taxes for interim periods is determined using an estimate of the Company's annual effective tax rate, adjusted for discrete items in the applicable period, if any. Each interim period, the Company updates the estimate of the annual effective tax rate, and if the estimated tax rate changes, a cumulative adjustment is recorded.

On December 22, 2017, new U.S. federal tax legislation was enacted that significantly changed the U.S. federal income taxation of U.S. corporations, including by reducing the U.S. corporate income tax rate from 35% to 21%, revising the rules governing net operating losses and foreign tax credits, and introducing new anti-base erosion provisions. Many of the changes were effective immediately, without any transition periods or grandfathering for existing transactions. The legislation is unclear in many respects and could be subject to potential amendments and technical corrections, as well as interpretations and implementing regulations by the U.S. Department of the Treasury and the Internal Revenue Service ("IRS"), any of which could decrease or increase certain adverse impacts of the legislation. In addition, it is unclear how these U.S. federal income tax changes will affect state and local taxation, which often uses federal taxable income as a starting point for computing state and local tax liabilities.

The new legislation reduced the corporate income tax rate from 35% to 21% effective January 1, 2018. As a result, all deferred income tax assets and liabilities, including NOL's, have been measured using the new rate under and are reflected in the valuation of these assets as of December 31, 2017. As a result, the value of our deferred tax assets were reduced by approximately $4.3 million and the related valuation allowance has been reduced by the same amount. Our analysis and interpretation of this legislation is ongoing. Given the full valuation allowance provided for net deferred tax assets for the periods presented herein, the change in tax law did not have a material impact on the Company's financial statements provided herein. There may be additional tax impacts identified in subsequent periods throughout the Company's fiscal year ending December 31,2018 in accordance with subsequent interpretive guidance issued by the SEC or the IRS. Further, there may be other material adverse effects resulting from the legislation that we have not yet identified. No estimated tax provision has been recorded for tax attributes that are incomplete or subject to change.

***Recent Accounting Guidance***

In May 2014, the Financial Accounting Standards Board ("FASB") issued an accounting update requiring a company to recognize as revenue the amount of consideration it expects to be entitled to in connection with the transfer of promised goods or services to customers. The accounting standard update will replace most of the exiting revenue recognition guidance currently promulgated by U.S. GAAP. In August 2015, the FASB decided to delay the effective date of new revenue standard by one year. The new guidance is effective for emerging growth companies for annual periods beginning after December 15, 2018, with certain early adoption variations permitted. The Company is in the process of evaluating the impact, if any, of the update on its financial position, results of operations and financial statement disclosures.

In February 2016, the FASB issued an accounting update that requires lessees to present right-of-use assets and lease liabilities on the balance sheet. The new guidance is to be applied using a modified retrospective approach at the beginning of the earliest comparative periods in the financial statements and is effective for fiscal years beginning after December 15, 2019 and early adoption is permitted. The Company is evaluating the impact that this guidance will have on its financial position, results of operations and financial statement disclosures.

## 3. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30, 2018:

| | |
|---|---|
| Furniture and fixtures | $ 123,189 |
| Computer hardware | 3,161,402 |
| | 3,284,591 |
| Less: accumulated depreciation and amortization | (2,440,582) |
| | $ 844,009 |

Depreciation and amortization expense for property and equipment was $428,924 and $496,944 for the six months ended June 30, 2018 and 2017, respectively.

## 4. INTANGIBLE AND OTHER ASSETS

Intangible and other assets consisted of the following as of June 30, 2018:

| | |
|---|---|
| Capitalized software development costs | $ 842,077 |
| Domain | 67,644 |
| Copyrights and other | 61,570 |
| | 971,291 |
| Less: accumulated amortization | (630,477) |
| | $ 340,814 |

Intangible and other asset related amortization expense totaled $106,754 and $120,672 for the six months ended June 30, 2018 and 2017, respectively.

Future amortization expense of intangible and other assets is expected as follows:

| For the years ending December 31: | |
|---|---|
| 2018 Remaining | $ 109,353 |
| 2019 | 104,839 |
| 2020 | 65,175 |
| 2021 | 21,626 |
| 2022 | 9,264 |
| Thereafter | 30,557 |
| | $ 340,814 |

## 5. GAMING LICENSE AGREEMENT

In June 2016, the Company entered into a gaming license agreement whereby the Company agreed to issue 500,000 shares of common stock purchase warrants ("License Warrants") and 550,000 shares of restricted stock units ("License RSUs") when the following performance or service conditions are met by the Company:

| Vesting Conditions for License Warrant | Category | Number of License Warrants |
|---|---|---|
| Achievement of: | | |
| Greater than $5.0 million game related net revenues | Performance | 125,000 |
| Greater than $15.0 million game related net revenues | Performance | 175,000 |
| Greater than $35.0 million game related net revenues | Performance | 200,000 |
| | | 500,000 |

| Vesting Conditions for License RSUs | Category | Number of License RSUs |
|---|---|---|
| Execution of the gaming license agreement | Service | 137,500 |
| 9-month anniversary | Service | 137,500 |
| 18-month anniversary | Service | 275,000 |
| | | 550,000 |

The License Warrants have a five-year contractual term with an exercise price of $3 per share, with vesting upon satisfactory performance under the gaming license agreement. The value of the License Warrants would be measured when any of vesting conditions are satisfied. As of June 30, 2018, it was not probable that the vesting conditions would be met. Accordingly, no expense for the License Warrants was recognized during the periods presented.

The License RSUs were expensed on a straight-line basis over the contractual license term of 18-months beginning June 2016 and ending December 31, 2017. Total expense included in cost of sales related to License RSUs for the six months ended June 30, 2017 totaled $550,000.

## 6. CONVERTIBLE NOTES PAYABLE

In May through June 2018, the Company issued 9.00% secured convertible promissory notes (the "2018 Notes") in the aggregate principal amount of $4,963,798. The 2018 Notes (i) accrue simple interest at the rate of 9.00% per annum, (ii) mature on the earlier of the closing of an initial public offering ("IPO") of the Company's common stock on a national securities exchange or April 30, 2019, and (iii) all outstanding principal and accrued interest is automatically convertible into shares of common stock upon the closing of an IPO at the lesser of (x) $3.60 per share or (y) a 15% discount to the price per share of the IPO. In addition, the holders of the 2018 Notes were collectively issued 1,561,023 warrants to purchase common stock equal to one hundred percent of the face value of the 2018 Notes (including accrued interest as described below) divided by $3.60 per share. The warrants are exercisable for a term of five years, commencing on the close of an IPO, at an exercise price equal to the lesser of (x) $3.60 per share or (y) a 15% discount to the IPO price per share (the "2018 Warrants"). The warrants are callable at the election of the Company at any time following the close of an IPO.

In February through April 2018, the Company issued 9.00% secured convertible promissory notes (the "Initial 2018 Notes") with a collective face value of $3,000,000. The Initial 2018 Notes (i) accrued simple interest at the rate of 9.00% per annum, (ii) matured on the earlier of December 31, 2018 or the close of a $15,000,000 equity financing ("Qualifying Equity Financing") by the Company, and (iii) all outstanding principal and accrued interest was automatically convertible into equity or equity-linked securities sold in the Qualifying Equity Financing based upon a conversion rate equal to (x) a 10% discount to the price per share of the Qualifying Equity Financing, with (y) a floor of $3.60 per share. In addition, the holders of the Initial 2018 Notes were collectively issued warrants to purchase approximately 166,667 shares of common stock, at an exercise price of $3.60 per share and a term of five years (the "Initial 2018 Warrants").

**6. CONVERTIBLE NOTES PAYABLE** (continued)

In May 2018, all of the Initial 2018 Notes and related accrued interest, totaling $3,055,886, were converted into the 2018 Notes. The holders of the Initial 2018 Notes who converted into the 2018 Notes retained their respective Initial 2018 Warrants. The totals for the 2018 Notes and 2018 Warrants disclosed above include amounts converted related to the Initial 2018 Notes and Initial 2018 Warrants.

The proceeds from the sale of the 2018 Notes and 2018 Warrants, as well as the 2018 Initial Notes and 2018 Initial Warrants, were allocated to the instruments based on the relative fair values of the convertible debt instrument without the warrants and of the warrants themselves at the time of issuance. The portion of the proceeds, totaling $2,151,459 allocated to the 2018 Warrants, was accounted for as a discount to the debt, with the offsetting credit to additional paid-in capital. The remainder of the proceeds were allocated to the convertible debt instrument portion of the transaction. The resulting debt discount is being amortized over the period from issuance to April 30, 2019, the stated maturity date of the debt.

The nondetachablenon-detachable conversion feature embedded in the 2018 Notes provides for a conversion rate that is below market value at the commitment date, and therefore, represents a beneficial conversion feature ("BCF"). The beneficial conversion featureBCF is generally recognized separately at issuance by allocating a portion of the debt proceeds equal to the intrinsic value of the beneficial conversion featureBCF to additional paid-in capital. The resulting convertible debt discount is recognized as interest expense using the effective yield method. The beneficial conversion featureBCF is measured using the commitment date stock price. However, the conversion feature associated with the 2018 Notes is not exercisable until the consummation of an initial public offering by the Company. of its common stock. As such, the beneficial conversion featureBCF is not recognized in earnings until the contingency is resolved in future periods. The intrinsic value of the beneficial conversion featureBCF at the commitment date, which was limited to the net proceeds allocated to the debt on a relative fair value basis, was approximately $2,832,762.

Debt issuance costs, primarily comprised of commissions and finder's fees, totaled $123,468 as of June 30, 2018 and were reflected as a discount to the debt instrument. Debt issuance costs are amortized over the term of the debt as interest expense.

Amounts related to the convertible notes as of and for the six months ended June 30, 2018 were as follows:

| | As of June 30, 2018 | | Six Months Ended June 30, 2018 |
|---|---|---|---|
| 9.00% Convertible notes | $ 4,963,798 | Amortization of debt discount | $ 269,705 |
| Accrued interest | 99,275 | Amortization of debt issuance costs | 28,034 |
| Unamortized debt discount | (1,881,754) | Accrued interest expense | 99,312 |
| Unamortized debt issuance costs | (123,468) | Total interest expense | $ 397,051 |
| | $ 3,057,851 | | |

## 7. STOCKHOLDERS' EQUITY

***Common Stock Purchase Warrants Issued in Exchange for Services***

The Company issued common stock purchase warrants to certain employees and non-employees in exchange for services performed, subject to certain vesting conditions. The warrants issued for services have expiration dates ranging from five to 10 years from the date of grant and exercise prices ranging from $0.10 to $3.60 per share.

Compensation expense related to common stock purchase warrants issued for services was $452,789 and $894,965 for the six months ended June 30, 2018 and 2017, respectively. No common stock purchase warrants were issued in exchange for services during the six months ended June 30, 2018.

***In-Kind Contribution of Services***

In June 2017, the Company recorded $1,000,000 as in-kind contributions of media services provided by a major media network, of which $294,667 was expensed, based on estimates of usage, during the six months ended June 30, 2018. The contributed media services are being amortized over the 18-month contractual term ending on December 31, 2018 and are included in selling, marketing and advertising expense in the statement of operations.

## 8. COMMITMENTS AND CONTINGENCIES

The Company leases office space under an operating lease agreement which expired on May 31, 2017 and was amended to a month-to-month lease. Rent expense for the six months ended June 30, 2018 and 2017 was $146,864 and $117,322, respectively, and is included in general and administrative expenses in the accompanying interim condensed statements of operations. Rental payments are expensed in the statements of operations in the period to which they relate. Scheduled rent increases, if any, are amortized on a straight-line basis over the lease term.

## 9. SUBSEQUENT EVENTS

The Company evaluated subsequent events for their potential impact on the financial statements and disclosures through September 14, 2018, which is the date the unaudited interim condensed financial statements were available to be issued.

Subsequent to June 30, 2018, the Company issued additional 9% secured convertible promissory notes with a collective face value of $8,036,204, in connection with the 2018 Notes financing round, with the same terms as the 2018 Notes. In connection with the issuance of the additional 2018 Notes, the Company issued 2,232,278 additional common stock purchase warrants.

In August 2018, the Company's Board of Directors approved a second amendment and restatement to the of the Company's amended and restated certificate of incorporation (the "Amended and Restated Charter") to (i) increase the Company's authorized capital to a total of 110.0 million shares, consisting of 100.0 million shares of common stock and 10.0 million shares of newly created preferred stock, par value $0.001 per share ("Preferred Stock"); (ii) authorize the Company's Board of Directors to fix the designation and number of each series of Preferred Stock, and to determine or change the designation, relative rights, preferences, and limitations of any series of Preferred Stock; and (iii) remove the deemed liquidation provision, as such term is defined in the Amended and Restated Charter. The Amended and Restated Charter was approved by a majority of the Company's stockholders in September 2018, and will become effective upon filing with the State of Delaware.

**Shares**

**Super League Gaming, Inc.**


**PROSPECTUS**

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*Joint Book-Running Managers*

**Northland Capital Markets** **Lake Street Capital Markets**

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**The date of this prospectus is , 2018**

Until , 2018 (25 days after the date of this prospectus), all dealers that buy, sell or trade shares of our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This delivery requirement is in addition to the obligation of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

## Part II - INFORMATION NOT REQUIRED IN PROSPECTUS

### Item 13. Other Expenses of Issuance and Distribution.

The following table indicates the expenses to be incurred in connection with the offering described in this registration statement, other than underwriting discounts and commissions, all of which will be paid by us. All amounts are estimated except the Securities and Exchange Commission (the "*SEC*") registration fee, the Financial Industry Regulatory Authority, Inc. ("*FINRA*") filing fee and the Nasdaq Capital Market listing fee.

| | Amount |
|---|---|
| SEC registration fee | $ * |
| FINRA filing fee | * |
| Nasdaq Capital Stock Market listing fee | * |
| Accountants' fees and expenses | * |
| Legal fees and expenses | * |
| Blue Sky fees and expenses | * |
| Transfer Agent's fees and expenses | * |
| Printing and engraving expenses | * |
| Miscellaneous | * |
| Total expenses | $ * |

* To be provided by amendment.

### Item 14. Indemnification of Directors and Officers.

Section 145(a) of the Delaware General Corporation Law ("*DGCL*") provides, in general, that a Delaware corporation may indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) because that person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or other enterprise. The indemnity may include expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, so long as the person acted in good faith and in a manner he or she reasonably believed was in or not opposed to the corporation's best interests, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

Section 145(b) of the DGCL provides, in general, that a Delaware corporation may indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action or suit by or in the right of the corporation to obtain a judgment in its favor because the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or other enterprise. The indemnity may include expenses (including attorneys' fees) actually and reasonably incurred by the person in connection with the defense or settlement of such action, so long as the person acted in good faith and in a manner the person reasonably believed was in or not opposed to the corporation's best interests, except that no indemnification shall be permitted without judicial approval if a court has determined that the person is to be liable to the corporation with respect to such claim. Section 145(c) of the DGCL provides that, if a present or former director or officer has been successful in defense of any action referred to in Sections 145(a) and (b) of the DGCL, the corporation must indemnify such officer or director against the expenses (including attorneys' fees) he or she actually and reasonably incurred in connection with such action.

Section 145(g) of the DGCL provides, in general, that a corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or other enterprise against any liability asserted against and incurred by such person, in any such capacity, or arising out of his or her status as such, whether or not the corporation could indemnify the person against such liability under Section 145 of the DGCL.

Our certificate of incorporation, as amended and restated ("*Charter*"), and our amended and restated bylaws ("*Bylaws*") provide for the indemnification of our directors and officers to the fullest extent permitted under the DGCL.

We also expect to enter into separate indemnification agreements with our directors and officers in addition to the indemnification provided for in our Charter and Bylaws. These indemnification agreements will provide, among other things, that we will indemnify our directors and officers for certain expenses, including damages, judgments, fines, penalties, settlements and costs and attorneys' fees and disbursements, incurred by a director or officer in any claim, action or proceeding arising in his or her capacity as a director or officer of the company or in connection with service at our request for another corporation or entity. The indemnification agreements also provide for procedures that will apply in the event that a director or officer makes a claim for indemnification.

We also maintain a directors' and officers' insurance policy pursuant to which our directors and officers are insured against liability for actions taken in their capacities as directors and officers.

We have entered into an underwriting agreement in connection with this offering, which provides for indemnification by the underwriter of us, our officers and directors, for certain liabilities, including liabilities arising under the Securities Act.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

**Item 15. Recent Sales of Unregistered Securities.**

Set forth below is information regarding all securities sold by us within the last three years which were not registered under the Securities Act. Also included is the consideration received by us for such securities and information relating to the section of the Securities Act, or rule of the SEC, under which exemption from registration was claimed.

***(a) Issuances of Capital Stock:***

During the year ended December 31, 2016, we issued 1,517,089 shares of common stock at a price of $3.60 per share to certain accredited investors in private placement transactions, resulting in aggregate net proceeds of $5,356,645.

During the year ended December 31, 2017, we issued 2,364,857 shares of common stock at a price of $3.60 per share to certain accredited investors in private placement transactions, resulting in aggregate net proceeds of $8,244,883.

In connection with these issuances of common stock, we granted the investors certain demand and piggyback registration rights for the shares purchased in these transactions. In addition, the investors were provided with the right to participate on a pro-rata basis in any future financings, subject to certain exceptions including the issuance of securities in connection with the closing of our initial public offering, to maintain their respective ownership interest in the Company.

In June 2016, we entered into a gaming license agreement whereby we agreed to issue 550,000 shares of restricted stock upon the achievement of certain game related service conditions.

***Issuances of Warrants to Purchase Common Stock***

On June 22, 2016, we granted a ten-year warrant to purchase 500,000 shares of common stock with an exercise price of $3.00 per share to a third-party as partial consideration for the execution of a license agreement. Pursuant to its terms, the warrant will vest in increments of 25%, 35% and 40%, respectively, upon the occurrence of certain performance-based achievements.

Since January 1, 2016, we have granted five and ten year warrants to purchase an aggregate of 1,066,750 shares of our common stock at an average exercise price of $3.39 per share, to certain employees, consultants and directors of the Company, including our Chief Executive Officer Ann Hand, and Robert Stewart and Jeff Gehl, each of whom serve as a member of our Board of Driectors, as consideration for their previous and future services to the Company.

***Sale of Convertible Promissory Notes in Private Placements***

In October 2015, we entered into a non-interest bearing, unsecured convertible note in the principal amount of $3,250,000 (the "*2015 Note*") with a stockholder of the Company. In April 2016, the 2015 Note automatically converted into 1,163,387 shares of common stock pursuant to the terms of the 2015 Note.

In April 2016, we entered into non-interest bearing, unsecured convertible notes with an aggregate principal amount of $5,350,000 (the "*2016 Notes*") with certain stockholders of the Company, $5,050,000 of such principal amount was automatically converted into 1,551,484 shares of common stock in October 2016 upon closing of a "qualified equity offering" (as such term is defined in the 2016 Notes) pursuant to the terms of the 2016 Notes. The remaining principal amount of $300,000 was fully repaid by us during the year ended December 31, 2016.

In May through June 2018, we issued 9.00% secured convertible promissory notes (the "*2018 Notes*") in the aggregate principal amount of $4,963,798. The 2018 Notes (i) accrue simple interest at the rate of 9.00% per annum, (ii) mature on the earlier of the closing of an initial public offering ("*IPO*") of our common stock on a national securities exchange or April 30, 2019, and (iii) all outstanding principal and accrued interest is automatically convertible into shares of common stock upon the closing of an IPO at the lesser of (x) $3.60 per share or (y) a 15% discount to the price per share of the IPO. In addition, the holders of the 2018 Notes were collectively issued 1,561,023 warrants to purchase common stock equal to one hundred percent of the face value of the 2018 Notes (including accrued interest as described below) divided by $3.60 per share. The warrants are exercisable for a term of five years, commencing on the close of an IPO, at an exercise price equal to the lesser of (x) $3.60 per share or (y) a 15% discount to the IPO price per share (the "*2018 Warrants*"). The warrants are callable at our election at any time following the close of an IPO.

In February through April 2018, we issued 9.00% secured convertible promissory notes (the "*Initial 2018 Notes*") with a collective face value of $3,000,000. The Initial 2018 Notes (i) accrued simple interest at the rate of 9.00% per annum, (ii) matured on the earlier of December 31, 2018 or the close of a $15,000,000 equity financing ("*Qualifying Equity Financing*") by the Company, and (iii) all outstanding principal and accrued interest was automatically convertible into equity or equity-linked securities sold in the Qualifying Equity Financing based upon a conversion rate equal to (x) a 10% discount to the price per share of the Qualifying Equity Financing, with (y) a floor of $3.60 per share. In addition, the holders of the Initial 2018 Notes were collectively issued warrants to purchase approximately 166,667 shares of common stock, at an exercise price of $3.60 per share and a term of five years (the "*Initial 2018 Warrants*").

In May 2018, all of the Initial 2018 Notes and related accrued interest, totaling $3,055,886, were converted into the 2018 Notes. The holders of the Initial 2018 Notes who converted into the 2018 Notes retained their respective Initial 2018 Warrants. The totals for the 2018 Notes and 2018 Warrants disclosed above include amounts converted related to the Initial 2018 Notes and Initial 2018 Warrants.

***Grants of Restricted Common Stock***

On January 15, 2016, we issued 420,000 shares of our common stock to an employee upon the exercise of certain previously issued warrants at an exercise price of $0.10 per share.

The offers, sales and issuances of the securities described in Item 15 were deemed to be exempt from registration under the Securities Act under either (i) Rule 701 promulgated under the Securities Act as offers and sale of securities pursuant to certain compensatory benefit plans and contracts relating to compensation in compliance with Rule 701 or (ii) Section 4(a)(2) of the Securities Act as transactions by an issuer not involving any public offering. The recipients of securities in each of these transactions represented their intention to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof and appropriate legends were affixed to the stock certificates and instruments issued in such transactions. All recipients had adequate access, through their relationships with us, to information about us.

**Item 16. Exhibits and Financial Statement Schedules.**

**(a) Exhibits.** The list of exhibits is set forth below and is incorporated by reference herein.

| | |
|---|---|
| 1.1* | Form of Underwriting Agreement. |
| 3.1 | Amended and Restated Certificate of Incorporation of Super League Gaming, Inc. |
| 3.2 | Second Amended and Restated Bylaws of Super League Gaming, Inc. |
| 4.1* | Form of Common Stock Certificate. |
| 4.2 | Form of Registration Rights Agreement, among Super League Gaming, Inc. and certain accredited investors. |
| 4.3 | Common Stock Purchase Warrant dated June 16, 2017 issued to Ann Hand. |
| 4.4 | Form of 9.00% Secured Convertible Promissory Note |
| 4.5 | Form of Callable Common Stock Purchase Warrant, issued to certain accredited investors. |
| 4.6* | Form of Underwriter Warrant. |
| 5.1* | Opinion of Disclosure Law Group, a Professional Corporation. |
| 10.1† | Super League Gaming, Inc. 2014 Stock Option and Incentive Plan, as amended July 10, 2017. |
| 10.2† | Form of Stock Option Agreement under 2014 Stock Option and Incentive Plan. |
| 10.3 | Subscription Agreement, among Nth Games, Inc. and certain accredited investors. |
| 10.4 | Subscription Agreement, among Super League Gaming, Inc. and certain accredited investors. |
| 10.5 | Form of Theater Agreement. |
| 10.6 | Lease between Super League Gaming, Inc. and Roberts Business Park Santa Monica LLC, dated June 1, 2016. |
| 10.7* | License Agreement between Super League Gaming, Inc. and Riot Games, Inc., dated June 22, 2016. |
| 10.8* | License Agreement between Super League Gaming, Inc. and Mojang AB, dated August 1, 2016. |
| 10.9* | Master Agreement between Super League Gaming, Inc. and Viacom Media Networks, dated June 9, 2017. |
| 10.10* | Master Joint Promotion Agreement between Super League Gaming, Inc. and Viacom Media Networks, dated June 9, 2017. |
| 10.11 | Form of Common Stock Purchase Agreement, among Super League Gaming, Inc. and certain accredited investors. |
| 10.12 | Form of Investors' Rights Agreement, among Super League Gaming, Inc. and certain accredited investors. |
| 10.13† | Employment Agreement, between Super League Gaming, Inc. and Ann Hand, dated June 16, 2017. |
| 10.14† | Employment Agreement, between Super League Gaming, Inc. and David Steigelfest, dated October 31, 2017. |
| 10.15* | Riot Games, Inc. Extension Letter, dated November 21, 2017. |
| 10.16 | Form of Note Purchase Agreement, among Super League Gaming, Inc. and certain accredited investors. |
| 10.17 | Form of Security Agreement, between Super League Gaming, Inc. and certain accredited investors |
| 10.18 | Form of Intercreditor and Collateral Agent Agreement, among Super League Gaming, Inc. and certain accredited investors. |
| 10.19 | Form of Investors' Rights Agreement (9% Secured Convertible Promissory Notes), among Super League Gaming, Inc. and certain accredited investors. |
| 10.20* | Master Service Agreement and Initial Statement of Work between Super League Gaming, Inc. and Logitech Inc., dated March 1, 2018. |
| 10.21* | Sponsorship Agreement between Super League Gaming, Inc. and Red Bull North America, Inc., dated June 20, 2018. |
| 10.22 | Asset Purchase Agreement, between Super League Gaming, Inc. and Minehut, dated June 22, 2018. |
| 14.1 | Super League Gaming, Inc. Code of Business Conduct and Ethics. |
| 23.1* | Consents of Squar Milner LLP. |
| 23.2* | Consent of Disclosure Law Group, a Professional Corporation (included in Exhibit 5.1). |
| 24.1 | Power of attorney (included on signature page to this Registration Statement). |

* To be filed by amendment.
† Identifies exhibits that consist of a management contract or compensatory plan or arrangement.

**(b) Financial Statement Schedules.** Schedules not listed above have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or notes thereto.

**Item 17. Undertakings.**

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The registrant hereby further undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this Registration Statement as of the time it was declared effective.

(2) For purposes of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

## SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Santa Monica, State of California, on this day of , 2018.

**Super League Gaming, Inc.**

By: _____

Ann Hand
*Chief Executive Officer, President and Chair of the Board*

## SIGNATURES AND POWER OF ATTORNEY

We, the undersigned officers and directors of Super League Gaming, Inc., hereby severally constitute and appoint Ann Hand and Clayton Haynes, and each of them singly (with full power to each of them to act alone), our true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution in each of them for him or her and in his or her name, place and stead, and in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement (or any other registration statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933), and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as full to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their, or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities held on the dates indicated.

| Signature | Title | Date |
|---|---|---|
| _____<br>Ann Hand | Chief Executive Officer,<br>President, Chair of the Board<br>(Principal Executive Officer) | , 2018 |
| _____<br>Clayton Haynes | Chief Financial Officer<br>(Principal Financial and Accounting Officer) | , 2018 |
| _____<br>John Miller | Director | , 2018 |
| _____<br>Jeff Gehl | Director | , 2018 |
| _____<br>Robert Stewart | Director | , 2018 |
| _____<br>Marc Cummins | Director | , 2018 |

**Exhibit 3.1**

**AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF SUPER LEAGUE GAMING, INC.**

(Pursuant to Sections 242 and 245 of the General Corporation Law of the State of Delaware)

Super League Gaming, Inc., a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the ***"General Corporation Law"),***

**DOES HEREBY CERTIFY:**

**1.** That the name of this corporation is Super League Gaming, Inc., and that this corporation was originally incorporated pursuant to the General Corporation Law on October 1, 2014 under the name Nth Games, Inc.

**2.** That the Board of Directors duly adopted resolutions proposing to amend and restate the Certificate of Incorporation of this corporation, declaring said amendment and restatement to be advisable and in the best interests of this corporation and its stockholders, and authorizing the appropriate officers of this corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment and restatement is as follows:

**RESOLVED,** that the Certificate of Incorporation of this corporation be amended and restated in its entirety to read as follows:

**FIRST:** The name of this corporation 1s Super League Gaming, Inc. (the ***"Corporation").***

**SECOND:** The address of the registered office of the Corporation in the State of Delaware is 1209 Orange Street, Wilmington, DE 19801, New Castle County. The name of its registered agent at such address is The Corporation Trust Company.

**THIRD:** The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law.

**FOURTH:** The total number of shares of all classes of stock which the Corporation shall have authority to issue is 50,000,000 shares of Common Stock, $0.001 par value per share ***("Common Stock").***

The following is a statement of the designations and the powers, privileges and rights, and the qualifications, limitations or restrictions thereof in respect of each class of capital stock of the Corporation.

A. COMMON STOCK

1. Voting. The holders of the Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings). There shall be no cumulative voting.

2. Dividends.

2.1 Dividends Generally. Any dividends declared or paid in any fiscal year shall be declared or paid among the holders of the Common Stock then outstanding, pro rata and pari passu based on the number of shares held by each such holder. The right to receive dividends on shares of Common Stock shall not be cumulative.

2.2 Non-Cash Distributions. Whenever a dividend provided for in this Section 2 shall be payable in property other than cash, the value of such dividend shall be deemed to be the fair market value of such property as determined in good faith by the Board of Directors.

3. Liquidation. Dissolution or Winding Up: Certain Mergers. Consolidations and Asset Sales.

3.1 Payments to Holders of Common Stock. In the event ofany voluntary or involuntary liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event (as defined in Subsection 3.2.1). the assets of the Corporation available for distribution to its stockholders shall be distributed among the holders of shares of Common Stock, pro rata and pari passu based on the number of shares held by each such holder (the amount payable per share of Common Stock pursuant to the foregoing sentence is hereinafter referred to as the ***"Liquidation Amount").***

3.2 Deemed Liquidation Events.

3.2.1 Definition. Each of the following events shall be considered a***"Deemed Liquidation Event":***

(a) a merger or consolidation in which (i) the Corporation is a constituent party or (ii) a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such merger or consolidation, except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for equity securities that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the equity securities of (I) the surviving or resulting entity or (2) if the surviving or resulting entity is a wholly owned subsidiary of another entity immediately following such merger or consolidation, the parent entity of such surviving or resulting entity; or

(b) the sale, lease, conveyance, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or substantially all the assets of the Corporation and its subsidiaries taken as a whole, or the sale or disposition (whether by merger, consolidation or otherwise) of one or more subsidiaries of the Corporation if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, conveyance, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Corporation (an ***"Asset Sale").***

3.2.2 Effecting a Deemed Liquidation Event.

(a) The Corporation shall not have the power to effect a Deemed Liquidation Event referred to in Subsection 3.2.l(a)(i) unless the agreement or plan of merger or consolidation for such transaction provides that the consideration payable to the stockholders of the Corporation shall be allocated among the holders of capital stock of the Corporation in accordance with Subsection 3.1.

(b) In the event of a Deemed Liquidation Event referred to in Subsection 3.2.I(a)(ii) or 3.2.l(b), if the Corporation does not effect a dissolution of the Corporation under the General Corporation Law within ninety (90) days after such Deemed Liquidation Event, then (i) the Corporation shall send a written notice to each holder of Common Stock no later than the ninetieth (90th) day after the Deemed Liquidation Event advising such holders of their right (and the requirements to be met to secure such right) pursuant to the terms of the following clause (ii) to require the redemption of such shares of Common Stock, and (ii) if the holders of at least a majority of the then outstanding shares of Common Stock so request in a written instrument delivered to the Corporation not later than one hundred twenty (120) days after such Deemed Liquidation Event, the Corporation shall use the consideration received by the Corporation for such Deemed Liquidation Event (net of any retained liabilities associated with the assets sold or technology licensed, as determined in good faith by the Board of Directors of the Corporation), together with any other assets of the Corporation available for distribution to its stockholders, all to the extent permitted by Delaware law governing distributions to stockholders (the ***"Available Proceeds"),*** on the one hundred fiftieth (150th) day after such Deemed Liquidation Event, to redeem all outstanding shares of Common Stock at a price per share equal to the Liquidation Amount. Notwithstanding the foregoing, in the event of a redemption pursuant to the preceding sentence, if the Available Proceeds are not sufficient to redeem all outstanding shares of Common Stock, the Corporation shall ratably redeem each holder's shares of Common Stock to the fullest extent of such Available Proceeds, and shall redeem the remaining shares as soon as it may lawfully do so under Delaware law governing distributions to stockholders. Upon any such redemption, each holder shall surrender the certificates being redeemed upon receipt of payment therefor. Prior to the distribution or redemption provided for in this Section 3.2.2(b). the Corporation shall not expend or dissipate the consideration received for such Deemed Liquidation Event, except to discharge expenses incurred in connection with such Deemed Liquidation Event.

3.2.3 Amount Deemed Paid or Distributed. The amount deemed paid or distributed to the holders of capital stock of the Corporation upon any such merger, consolidation, sale, transfer, exclusive license, other disposition or redemption shall be the cash or the value of the property, rights or securities paid or distributed to such holders by the Corporation or the acquiring person, firm or other entity. The value of such property, rights or securities shall be determined in good faith by the Board of Directors of the Corporation.

4. Election of Directors. The holders of record of the shares of Common Stock shall be entitled to elect the directors of the Corporation. At any meeting held for the purpose of electing a director, the presence in person or by proxy of the holders of a majority of the outstanding shares of Common Stock shall constitute a quorum for the purpose of electing such director.

5. Notice of Record Date. In the event (i) the Corporation shall take a record of the holders of Common Stock for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security, (ii) of any capital reorganization of the Corporation, any reclassification of the Common Stock, or any Deemed Liquidation Event or (iii) of the voluntary or involuntary dissolution, liquidation or winding up of the Corporation, then, and in each such case, the Corporation will send or cause to be sent to the holders of the Common Stock a notice specifying, as the case may be, (x) the record date for such dividend, distribution or right, and the amount and character of such dividend, distribution or right, or (y) the effective date on which such capital reorganization, reclassification, Deemed Liquidation Event, dissolution, liquidation or winding up is proposed to take place, and the time, if any is to be fixed, as of which the holders ofrecord of Common Stock shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such capital reorganization, reclassification, Deemed Liquidation Event, dissolution, liquidation or winding up, and the amount per share and character of such exchange applicable to the Common Stock. Such notice shall be sent at least ten (10) days prior to the record date or effective date for the event specified in such notice.

6. Notices. Any notice required or permitted by the provisions of this Article Fourth to be given to a holder of shares of Common Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation for such holder, given by the holder to the Corporation for the purpose of notice, or given by electronic communication in compliance with the provisions of the General Corporation Law, and shall be deemed sent upon such mailing or electronic transmission.

**FIFTH:** Subject to any additional vote required by this Amended and Restated Certificate of Incorporation or the Bylaws of the Corporation, in furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to make, repeal, alter, amend and rescind any or all of the Bylaws of the Corporation.

**SIXTH:** The number of directors of the Corporation shall be determined in the manner set forth in the Bylaws of the Corporation.

**SEVENTH:** Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

**EIGHTH:** Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws of the Corporation may provide. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of the Corporation.

**NINTH:** To the fullest extent permitted by law, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the General Corporation Law or any other law of the State of Delaware is amended after approval by the stockholders of this Article Ninth to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law as so amended.

Any repeal or modification of the foregoing prov1s1ons of this Article Ninth by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of, or increase the liability of any director of the Corporation with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

**TENTH:** To the fullest extent permitted by applicable law, the Corporation is authorized to provide indemnification of (and advancement of expenses to) directors, officers and agents of the Corporation (and any other persons to which General Corporation Law permits the Corporation to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise, in excess of the indemnification and advancement otherwise permitted by Section 145 of the General Corporation Law.

Any amendment, repeal or modification of the foregoing provisions of this Article Tenth shall not adversely affect any right or protection of any director, officer or other agent of the Corporation existing at the time of such amendment, repeal or modification.

**ELEVENTH:** For purposes of Section 500 of the California Corporations Code (to the extent applicable), in connection with any repurchase of shares of Common Stock permitted under the Certificate of Incorporation from employees, officers, directors or consultants of the Corporation in connection with a termination of employment or services pursuant to agreements or arrangements approved by the Board (in addition to any other consent required under the Certificate of Incorporation), such repurchase may be made without regard to any "preferential dividends arrears amount" or "preferential rights amount" (as those terms are defined in Section 500 of the California Corporations Code). Accordingly, for purposes of making any calculation under California Corporations Code Section 500 in connection with such repurchase, the amount of any "preferential dividends arrears amount" or "preferential rights amount" (as those terms are defined therein) shall be deemed to be zero (0).

* * * * *

**3.** That the foregoing amendment and restatement was approved by the holders of the requisite number of shares of this corporation in accordance with Section 228 of the General Corporation Law.

**4.** That this Amended and Restated Certificate of Incorporation, which restates and integrates and further amends the provisions of this Corporation's Certificate of Incorporation, has been duly adopted in accordance with Sections 242 and 245 of the General Corporation Law.

**IN WITNESS WHEREOF,** this Amended and Restated Certificate of Incorporation has been executed by a duly authorized officer of this corporation on October 7, 2016.

By: /s/ Ann Hand
Ann Hand, Chief Executive Officer

**Exhibit 3.2**

# BYLAWS OF

# SUPER LEAGUE GAMING, INC.

**Adopted October 2, 2014**

**Amended & Restated June 15, 2015**

**Amended & Restated August 15, 2018**

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**BYLAWS**

## Article I — MEETINGS OF STOCKHOLDERS

**1.1** ***Place of Meetings*** . Meetings of stockholders of Super League Gaming, Inc. (the "**Company**") shall be held at any place, within or outside the State of Delaware, determined by the Company's board of directors (the "**Board**"). The Board may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211(a)(2) of the Delaware General Corporation Law (the "DGCL"). In the absence of any such designation or determination, stockholders' meetings shall be held at the Company's principal executive office.

**1.2** ***Annual Meeting***. An annual meeting of stockholders shall be held for the election of directors at such date and time as may be designated by resolution of the Board from time to time. Any other proper business may be transacted at the annual meeting. The Company shall not be required to hold an annual meeting of stockholders, *provided* that (i) the stockholders are permitted to act by written consent under the Company's certificate of incorporation and these bylaws, (ii) the stockholders take action by written consent to elect directors and (iii) the stockholders unanimously consent to such action or, if such consent is less than unanimous, all of the directorships to which directors could be elected at an annual meeting held at the effective time of such action are vacant and are filled by such action.

**1.3** ***Special Meeting***. A special meeting of the stockholders may be called at any time by the Board, Chairperson of the Board, Chief Executive Officer or President (in the absence of a Chief Executive Officer) or by one or more stockholders holding shares in the aggregate entitled to cast not less than 10% of the votes at that meeting.

If any person(s) other than the Board calls a special meeting, the request shall:

(i) be in writing;

(ii) specify the time of such meeting and the general nature of the business proposed to be transacted; and

(iii) be delivered personally or sent by registered mail or by facsimile transmission to the Chairperson of the Board, the Chief Executive Officer, the President (in the absence of a Chief Executive Officer) or the Secretary of the Company.

The officer(s) receiving the request shall cause notice to be promptly given to the stockholders entitled to vote at such meeting, in accordance with these bylaws, that a meeting will be held at the time requested by the person or persons calling the meeting. No business may be transacted at such special meeting other than the business specified in such notice to stockholders. Nothing contained in this paragraph of this **Section 1.3** shall be construed as limiting, fixing, or affecting the time when a meeting of stockholders called by action of the Board may be held.

**1.4** ***Notice of Stockholders' Meetings***. Whenever stockholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given which shall state the place, if any, date and hour of the meeting, the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Except as otherwise provided in the DGCL, the certificate of incorporation or these bylaws, the written notice of any meeting of stockholders shall be given not less than 10 nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting.

**1.5** ***Quorum***. Except as otherwise provided by law, the certificate of incorporation or these bylaws, at each meeting of stockholders the presence in person or by proxy of the holders of shares of stock having a majority of the votes which could be cast by the holders of all outstanding shares of stock entitled to vote at the meeting shall be necessary and sufficient to constitute a quorum. Where a separate vote by a class or series or classes or series is required, a majority of the outstanding shares of such class or series or classes or series, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to that vote on that matter, except as otherwise provided by law, the certificate of incorporation or these bylaws.

If, however, such quorum is not present or represented at any meeting of the stockholders, then either (i) the chairperson of the meeting, or (ii) the stockholders entitled to vote at the meeting, present in person or represented by proxy, shall have the power to adjourn the meeting from time to time, in the manner provided in **Section 1.6**, until a quorum is present or represented.

**1.6** ***Adjourned Meeting; Notice***. Any meeting of stockholders, annual or special, may adjourn from time to time to reconvene at the same or some other place, and notice need not be given of the adjourned meeting if the time, place, if any, thereof, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Company may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

**1.7** ***Conduct of Business***. Meetings of stockholders shall be presided over by the Chairperson of the Board, if any, or in his or her absence by the Vice Chairperson of the Board, if any, or in the absence of the foregoing persons by the Chief Executive Officer, or in the absence of the foregoing persons by the President, or in the absence of the foregoing persons by a Vice President, or in the absence of the foregoing persons by a chairperson designated by the Board, or in the absence of such designation by a chairperson chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his or her absence the chairperson of the meeting may appoint any person to act as secretary of the meeting. The chairperson of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of business.

**1.8** ***Voting***. The stockholders entitled to vote at any meeting of stockholders shall be determined in accordance with the provisions of **Section 1.10** of these bylaws, subject to Section 217 (relating to voting rights of fiduciaries, pledgors and joint owners of stock) and Section 218 (relating to voting trusts and other voting agreements) of the DGCL.

Except as may be otherwise provided in the certificate of incorporation, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of capital stock held by such stockholder which has voting power upon the matter in question. Voting at meetings of stockholders need not be by written ballot and, unless otherwise required by law, need not be conducted by inspectors of election unless so determined by the holders of shares of stock having a majority of the votes which could be cast by the holders of all outstanding shares of stock entitled to vote thereon which are present in person or by proxy at such meeting. If authorized by the Board, such requirement of a written ballot shall be satisfied by a ballot submitted by electronic transmission (as defined in **Section 7.2** of these bylaws), *provided* that any such electronic transmission must either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the stockholder or proxy holder.

Except as otherwise required by law, the certificate of incorporation or these bylaws, in all matters other than the election of directors, the affirmative vote of a majority of the voting power of the shares present in person or represented by proxy at the meeting and entitled to vote on the subject matter shall be the act of the stockholders. Except as otherwise required by law, the certificate of incorporation or these bylaws, directors shall be elected by a plurality of the voting power of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. Where a separate vote by a class or series or classes or series is required, in all matters other than the election of directors, the affirmative vote of the majority of shares of such class or series or classes or series present in person or represented by proxy at the meeting shall be the act of such class or series or classes or series, except as otherwise provided by law, the certificate of incorporation or these bylaws.

**1.9** ***Stockholder Action by Written Consent Without a Meeting***. Unless otherwise provided in the certificate of incorporation, any action required by the DGCL to be taken at any annual or special meeting of stockholders of a corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

An electronic transmission (as defined in **Section 7.2**) consenting to an action to be taken and transmitted by a stockholder or proxy holder, or by a person or persons authorized to act for a stockholder or proxy holder, shall be deemed to be written, signed and dated for purposes of this section, *provided* that any such electronic transmission sets forth or is delivered with information from which the Company can determine (i) that the electronic transmission was transmitted by the stockholder or proxy holder or by a person or persons authorized to act for the stockholder or proxy holder and (ii) the date on which such stockholder or proxy holder or authorized person or persons transmitted such electronic transmission.

In the event that the Board shall have instructed the officers of the Company to solicit the vote or written consent of the stockholders of the Company, an electronic transmission of a stockholder written consent given pursuant to such solicitation may be delivered to the Secretary or the President of the Company or to a person designated by the Secretary or the President. The Secretary or the President of the Company or a designee of the Secretary or the President shall cause any such written consent by electronic transmission to be reproduced in paper form and inserted into the corporate records.

Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that written consents signed by a sufficient number of holders to take the action were delivered to the Company as provided in Section 228 of the DGCL. In the event that the action which is consented to is such as would have required the filing of a certificate under any provision of the DGCL, if such action had been voted on by stockholders at a meeting thereof, the certificate filed under such provision shall state, in lieu of any statement required by such provision concerning any vote of stockholders, that written consent has been given in accordance with Section 228 of the DGCL.

**1.10** ***Record Date for Stockholder Notice; Voting; Giving Consents***. In order that the Company may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board and which record date:

(i) in the case of determination of stockholders entitled to notice of or to vote at any meeting of stockholders or adjournment thereof, shall, unless otherwise required by law, not be more than sixty nor less than ten days before the date of such meeting;

(ii) in the case of determination of stockholders entitled to express consent to corporate action in writing without a meeting, shall not be more than ten days after the date upon which the resolution fixing the record date is adopted by the Board; and

(iii) in the case of determination of stockholders for any other action, shall not be more than 60 days prior to such other action.

If no record date is fixed by the Board:

(i) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held;

(ii) the record date for determining stockholders entitled to express consent to corporate action in writing without a meeting when no prior action of the Board is required by law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Company in accordance with applicable law, or, if prior action by the Board is required by law, shall be at the close of business on the day on which the Board adopts the resolution taking such prior action; and

(iii) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting, *provided* that the Board may fix a new record date for the adjourned meeting.

**1.11** ***Proxies***. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by proxy authorized by an instrument in writing or by a transmission permitted by law filed in accordance with the procedure established for the meeting, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Section 212 of the DGCL.

**1.12** ***List of Stockholders Entitled to Vote***. The officer who has charge of the stock ledger of the Company shall prepare and make, at least ten days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. The Company shall not be required to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting for a period

of at least ten days prior to the meeting: (i) on a reasonably accessible electronic network, *provided* that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours, at the Company's principal place of business. In the event that the Company determines to make the list available on an electronic network, the Company may take reasonable steps to ensure that such information is available only to stockholders of the Company. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting.

**1.13** ***Advance Notice of Business***. No business may be transacted at an annual meeting of stockholders, other than business that is either (i) specified in the Company's's notice of meeting (or any supplement thereto) given by or at the direction of the Board, (ii) otherwise properly brought before the annual meeting by or at the direction of the Board, or (iii) otherwise properly brought before the annual meeting by any stockholder of the Company (x) who is a stockholder of record on the date of the giving of the notice provided for in this **Section 1.13** and on the record date for the determination of stockholders entitled to vote at such annual meeting, and (y) who complies with the notice procedures set forth in this **Section 1.13**. Notwithstanding anything in this **Section 1.13** to the contrary, only persons nominated for election as a director to fill any directorship the term of which expires on the date of the annual meeting (or which ended before such date but as to which the Board did not fill the vacancy) pursuant to **Section 2.4** will be considered for election at such meeting.

(i) In addition to any other applicable requirements, for business (other than nominations) to be properly brought before an annual meeting by a stockholder, such stockholder must have given timely notice thereof in proper written form to the Secretary and such business must otherwise be a proper matter for stockholder action. Subject to **Section 1.13(iii)**, a stockholder's notice to the Secretary with respect to such business, to be timely, must be received by the Secretary at the principal executive offices of the Company not later than the close of business on the 90th day, and not earlier than the opening of business on the 120th day, before the anniversary date of the immediately preceding annual meeting of stockholders; *provided*, *however*, that if the annual meeting is called for a date that is not within 45 days before or after such anniversary date, notice by the stockholder to be timely must be so received not earlier than the opening of business on the 120th day before the meeting and not later than the later of (x) the close of business on the 90th day before the meeting or (y) the close of business on the tenth day following the day on which public announcement of the date of the annual meeting is first made by the Company.

(ii) To be in proper written form, a stockholder's notice to the Secretary with respect to any business (other than nominations) must set forth as to each such matter such stockholder proposes to bring before the annual meeting (A) a brief description of the business desired to be brought before the annual meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event such business includes a proposal to amend these Bylaws, the language of the proposed amendment) and the reasons for conducting such business at the annual meeting, (B) the name and record address of such stockholder and the name and address of the beneficial owner, if any, on whose behalf the proposal is made, (C) the class or series and number of shares of capital stock of the Company that are owned beneficially and of record by such stockholder and by the beneficial owner, if any, on whose behalf the proposal is made, (D) a description of all arrangements or understandings between such stockholder and the beneficial owner, if any, on whose behalf the proposal is made and any other person or persons (including their names) in connection with the proposal of such business by such stockholder, (E) any material interest of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made in such business and (F) a representation that such stockholder intends to appear in person or by proxy at the annual meeting to bring such business before the meeting. All references in these Bylaws to "*beneficial*" ownership of stock, or stock "*beneficially*" owned, or words of similar import, incorporate by reference the standards for determining beneficial ownership as set forth in Rule 13d-3 (or any successor rule or regulation) under the Securities Exchange Act of 1934, as amended (the *"Exchange Act"*).

(iii) The foregoing notice requirements of this **Section 1.13** shall be deemed satisfied by a stockholder as to any proposal (other than nominations) if the stockholder has notified the Company of such stockholder's intention to present such proposal at an annual meeting in compliance with Rule 14a-8 (or any successor rule or regulation) under the Exchange Act, and such stockholder has complied with the requirements of such Rule for inclusion of such proposal in a proxy statement prepared by the Company to solicit proxies for such annual meeting. No business shall be conducted at the annual meeting of stockholders except business brought before the annual meeting in accordance with the procedures set forth in this **Section 1.13**; *provided*, *however*, that once business has been properly brought before the annual meeting in accordance with such procedures, nothing in this **Section 1.13** shall preclude discussion by any stockholder of any such business. If the Board or the chairman of the annual meeting determines that any stockholder proposal was not made in accordance with the provisions of this **Section 1.13** or that the information provided in a stockholder's notice does not satisfy the information requirements of this **Section 1.13**, such proposal shall not be presented for action at the annual meeting. Notwithstanding the foregoing provisions of this **Section 1.13**, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual meeting of stockholders of the Company to present the proposed business, such proposed business shall not be transacted, notwithstanding that proxies in respect of such matter may have been received by the Company.

(iv) In addition to the provisions of this **Section 1.13**, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth herein. Nothing in this **Section 1.13** shall affect any rights of stockholders to request inclusion of proposals in the Company's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

For purposes of these Bylaws, "*public announcement*" means disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Exchange Act.

## Article II — DIRECTORS

**2.1** ***Powers***. The business and affairs of the Company shall be managed by or under the direction of the Board, except as may be otherwise provided in the DGCL or the certificate of incorporation.

**2.2** ***Number of Directors***. The Board shall consist of one or more members, each of whom shall be a natural person. Unless the certificate of incorporation fixes the number of directors, the number of directors shall be determined from time to time by resolution of the Board. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

**2.3** ***Election, Qualification and Term of Office of Directors***. Except as provided in **Section 2.4** of these bylaws, and subject to **Sections 1.2** and **1.9** of these bylaws, directors shall be elected at each annual meeting of stockholders. Directors need not be stockholders unless so required by the certificate of incorporation or these bylaws. The certificate of incorporation or these bylaws may prescribe other qualifications for directors. Each director shall hold office until such director's successor is elected and qualified or until such director's earlier death, resignation or removal.

**2.4** ***Resignation and Vacancies***. Any director may resign at any time upon notice given in writing or by electronic transmission to the Company. A resignation is effective when the resignation is delivered unless the resignation specifies a later effective date or an effective date determined upon the happening of an event or events. A resignation which is conditioned upon the director failing to receive a specified vote for reelection as a director may provide that it is irrevocable. Unless otherwise provided in the certificate of incorporation or these bylaws, when one or more directors resign from the Board, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective.

Unless otherwise provided in the certificate of incorporation or these bylaws:

(i) Vacancies and newly created directorships resulting from any increase in the authorized number of directors elected by all of the stockholders having the right to vote as a single class may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director.

(ii) Whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by the provisions of the certificate of incorporation, vacancies and newly created directorships of such class or classes or series may be filled by a majority of the directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected.

If at any time, by reason of death or resignation or other cause, the Company should have no directors in office, then any officer or any stockholder or an executor, administrator, trustee or guardian of a stockholder, or other fiduciary entrusted with like responsibility for the person or estate of a stockholder, may call a special meeting of stockholders in accordance with the provisions of the certificate of incorporation or these bylaws, or may apply to the Court of Chancery for a decree summarily ordering an election as provided in Section 211 of the DGCL.

If, at the time of filling any vacancy or any newly created directorship, the directors then in office constitute less than a majority of the whole Board (as constituted immediately prior to any such increase), the Court of Chancery may, upon application of any stockholder or stockholders holding at least 10% of the voting stock at the time outstanding having the right to vote for such directors, summarily order an election to be held to fill any such vacancies or newly created directorships, or to replace the directors chosen by the directors then in office as aforesaid, which election shall be governed by the provisions of Section 211 of the DGCL as far as applicable.

A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office and until such director's successor is elected and qualified, or until such director's earlier death, resignation or removal.

**2.5** ***Place of Meetings; Meetings by Telephone.*** The Board may hold meetings, both regular and special, either within or outside the State of Louisiana or Delaware.

Unless otherwise restricted by the certificate of incorporation or these bylaws, members of the Board, or any committee designated by the Board, may participate in a meeting of the Board, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

**2.6** ***Conduct of Business***. Meetings of the Board shall be presided over by the Chairperson of the Board, if any, or in his or her absence by the Vice Chairperson of the Board, if any, or in the absence of the foregoing persons by a chairperson designated by the Board, or in the absence of such designation by a chairperson chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his or her absence the chairperson of the meeting may appoint any person to act as secretary of the meeting.

**2.7** ***Regular Meetings***. Regular meetings of the Board may be held without notice at such time and at such place as shall from time to time be determined by the Board.

**2.8** ***Special Meetings; Notice***. Special meetings of the Board for any purpose or purposes may be called at any time by the Chairperson of the Board, the Chief Executive Officer, the President, the Secretary or any two directors.

Notice of the time and place of special meetings shall be:

(i) delivered personally by hand, by courier or by telephone;

(ii) sent by United States first-class mail, postage prepaid;

(iii) sent by facsimile; or

(iv) sent by electronic mail,

directed to each director at that director's address, telephone number, facsimile number or electronic mail address, as the case may be, as shown on the Company's records.

If the notice is (i) delivered personally by hand, by courier or by telephone, (ii) sent by facsimile or (iii) sent by electronic mail, it shall be delivered or sent at least 24 hours before the time of the holding of the meeting. If the notice is sent by United States mail, it shall be deposited in the United States mail at least four days before the time of the holding of the meeting. Any oral notice may be communicated to the director. The notice need not specify the place of the meeting (if the meeting is to be held at the Company's principal executive office) nor the purpose of the meeting.

**2.9** ***Quorum; Voting***. At all meetings of the Board, a majority of the total authorized number of directors shall constitute a quorum for the transaction of business. If a quorum is not present at any meeting of the Board, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

The vote of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board, except as may be otherwise specifically provided by statute, the certificate of incorporation or these bylaws.

If the certificate of incorporation provides that one or more directors shall have more or less than one vote per director on any matter, every reference in these bylaws to a majority or other proportion of directors shall refer to a majority or other proportion of the votes of the directors.

**2.10** ***Board Action by Written Consent Without a Meeting***. Unless otherwise restricted by the certificate of incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board, or of any committee thereof, may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing or by electronic transmission and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

**211** ***Fees and Compensation of Directors***. Unless otherwise restricted by the certificate of incorporation or these bylaws, the Board shall have the authority to fix the compensation of directors.

**2.12** ***Removal of Directors***. Unless otherwise restricted by statute, the certificate of incorporation or these bylaws, any director or the entire Board may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of such director's term of office.

## Article III — COMMITTEES

**3.1** ***Committees of Directors***. The Board may designate one or more committees, each committee to consist of one or more of the directors of the Company. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board or in these bylaws, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Company, and may authorize the seal of the Company to be affixed to all papers that may require it; but no such committee shall have the power or authority to (i) approve or adopt, or recommend to the stockholders, any action or matter (other than the election or removal of directors) expressly required by the DGCL to be submitted to stockholders for approval, or (ii) adopt, amend or repeal any bylaw of the Company.

**3.2** ***Committee Minutes***. Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

**3.3** ***Meetings and Actions of Committees***. Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of:

(i) **Section 2.5** (Place of Meetings; Meetings by Telephone);

(ii) **Section 2.7** (Regular Meetings);

(iii) **Section 2.8** (Special Meetings; Notice);

(iv) **Section 2.9** (Quorum; Voting);

(v) **Section 2.10** (Board Action by Written Consent Without a Meeting); and

(vi) **Section 7.5** (Waiver of Notice) with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board and its members. *However*:

(i) the time of regular meetings of committees may be determined either by resolution of the Board or by resolution of the committee;

(ii) special meetings of committees may also be called by resolution of the Board; and

(iii) notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. The Board may adopt rules for the government of any committee not inconsistent with the provisions of these bylaws.

Any provision in the certificate of incorporation providing that one or more directors shall have more or less than one vote per director on any matter shall apply to voting in any committee or subcommittee, unless otherwise provided in the certificate of incorporation or these bylaws.

**3.4** ***Subcommittees***. Unless otherwise provided in the certificate of incorporation, these bylaws or the resolutions of the Board designating the committee, a committee may create one or more subcommittees, each subcommittee to consist of one or more members of the committee, and delegate to a subcommittee any or all of the powers and authority of the committee.

## Article IV — OFFICERS

**4.1** ***Officers***. The officers of the Company shall be a President and a Secretary. The Company may also have, at the discretion of the Board, a Chairperson of the Board, a Vice Chairperson of the Board, a Chief Executive Officer, one or more Vice Presidents, a Chief Financial Officer, a Treasurer, one or more Assistant Treasurers, one or more Assistant Secretaries, and any such other officers as may be appointed in accordance with the provisions of these bylaws. Any number of offices may be held by the same person.

**4.2** ***Appointment of Officers***. The Board shall appoint the officers of the Company, except such officers as may be appointed in accordance with the provisions of **Section 4.3** of these bylaws.

**4.3** ***Subordinate Officers***. The Board may appoint, or empower the Chief Executive Officer or, in the absence of a Chief Executive Officer, the President, to appoint, such other officers and agents as the business of the Company may require. Each of such officers and agents shall hold office for such period, have such authority, and perform such duties as are provided in these bylaws or as the Board may from time to time determine.

**4.4** ***Removal and Resignation of Officers***. Any officer may be removed, either with or without cause, by an affirmative vote of the majority of the Board at any regular or special meeting of the Board or, except in the case of an officer chosen by the Board, by any officer upon whom such power of removal may be conferred by the Board.

Any officer may resign at any time by giving written notice to the Company. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in the notice of resignation, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Company under any contract to which the officer is a party.

**4.5** ***Vacancies in Offices***. Any vacancy occurring in any office of the Company shall be filled by the Board or as provided in **Section 4.3**.

**4.6** ***Representation of Shares of Other Corporations***. Unless otherwise directed by the Board, the President or any other person authorized by the Board or the President is authorized to vote, represent and exercise on behalf of the Company all rights incident to any and all shares of any other corporation or corporations standing in the name of the Company. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by such person having the authority.

**4.7** ***Authority and Duties of Officers***. Except as otherwise provided in these bylaws, the officers of the Company shall have such powers and duties in the management of the Company as may be designated from time to time by the Board and, to the extent not so provided, as generally pertain to their respective offices, subject to the control of the Board.

**Article V — INDEMNIFICATION**

**5.1** ***Indemnification of Directors and Officers in Third Party Proceedings***. Subject to the other provisions of this **Article V**, the Company shall indemnify, to the fullest extent permitted by the DGCL, as now or hereinafter in effect, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (a "**Proceeding**") (other than an action by or in the right of the Company) by reason of the fact that such person is or was a director or officer of the Company, or is or was a director or officer of the Company serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such Proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. The termination of any Proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful.

**5.2** ***Indemnification of Directors and Officers in Actions by or in the Right of the Company***. Subject to the other provisions of this **Article V**, the Company shall indemnify, to the fullest extent permitted by the DGCL, as now or hereinafter in effect, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Company to procure a judgment in its favor by reason of the fact that such person is or was a director or officer of the Company, or is or was a director or officer of the Company serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Company; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Company unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

**5.3** ***Successful Defense***. To the extent that a present or former director or officer of the Company has been successful on the merits or otherwise in defense of any action, suit or proceeding described in **Section** 5.1 or **Section** 5.2, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

**5.4** ***Indemnification of Others***. Subject to the other provisions of this **Article V**, the Company shall have power to indemnify its employees and agents to the extent not prohibited by the DGCL or other applicable law. The Board shall have the power to delegate to such person or persons the determination of whether employees or agents shall be indemnified.

**5.5** ***Advanced Payment of Expenses***. Expenses (including attorneys' fees) incurred by an officer or director of the Company in defending any Proceeding shall be paid by the Company in advance of the final disposition of such Proceeding upon receipt of a written request therefor (together with documentation reasonably evidencing such expenses) and an undertaking by or on behalf of the person to repay such amounts if it shall ultimately be determined that the person is not entitled to be indemnified under this **Article V** or the DGCL. Such expenses (including attorneys' fees) incurred by former directors and officers or other employees and agents may be so paid upon such terms and conditions, if any, as the Company deems appropriate. The right to advancement of expenses shall not apply to any claim for which indemnity is excluded pursuant to these bylaws.

**5.6** ***Limitation on Indemnification***. Subject to the requirements in **Section 5.3** and the DGCL, the Company shall not be obligated to indemnify any person pursuant to this **Article V** in connection with any Proceeding (or any part of any Proceeding):

(i) for which payment has actually been made to or on behalf of such person under any statute, insurance policy, indemnity provision, vote or otherwise, except with respect to any excess beyond the amount paid;

(ii) for an accounting or disgorgement of profits pursuant to Section 16(b) of the Securities Exchange Act of 1934, as amended, or similar provisions of federal, state or local statutory law or common law, if such person is held liable therefor (including pursuant to any settlement arrangements);

(iii) for any reimbursement of the Company by such person of any bonus or other incentive-based or equity-based compensation or of any profits realized by such person from the sale of securities of the Company, as required in each case under the Securities Exchange Act of 1934, as amended (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "**Sarbanes-Oxley Act**"), or the payment to the Company of profits arising from the purchase and sale by such person of securities in violation of Section 306 of the Sarbanes-Oxley Act), if such person is held liable therefor (including pursuant to any settlement arrangements);

(iv) initiated by such person, including any Proceeding (or any part of any Proceeding) initiated by such person against the Company or its directors, officers, employees, agents or other indemnitees, unless (a) the Board authorized the Proceeding (or the relevant part of the Proceeding) prior to its initiation, (b) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law, (c) otherwise required to be made under **Section 5.7** or (d) otherwise required by applicable law; or

(v) if prohibited by applicable law.

**5.7** ***Determination; Claim***. If a claim for indemnification or advancement of expenses under this **Article V** is not paid in full within 90 days after receipt by the Company of the written request therefor, the claimant shall be entitled to an adjudication by a court of competent jurisdiction of his or her entitlement to such indemnification or advancement of expenses. The Company shall indemnify such person against any and all expenses that are incurred by such person in connection with any action for indemnification or advancement of expenses from the Company under this **Article V,** to the extent such person is successful in such action, and to the extent not prohibited by law. In any such suit, the Company shall, to the fullest extent not prohibited by law, have the burden of proving that the claimant is not entitled to the requested indemnification or advancement of expenses.

**5.8** ***Non-Exclusivity of Rights***. The indemnification and advancement of expenses provided by, or granted pursuant to, this **Article V** shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the certificate of incorporation or any statute, bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office. The Company is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advancement of expenses, to the fullest extent not prohibited by the DGCL or other applicable law.

**5.9** ***Insurance***. The Company may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Company would have the power to indemnify such person against such liability under the provisions of the DGCL.

**5.10** ***Survival***. The rights to indemnification and advancement of expenses conferred by this **Article V** shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

**5.11** ***Effect of Repeal or Modification***. Any amendment, alteration or repeal of this **Article V** shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to such amendment, alteration or repeal.

**5.12** ***Certain Definitions.*** For purposes of this **Article V**, references to the "**Company**" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this **Article V** with respect to the resulting or surviving corporation as such person would have with respect to such constituent corporation if its separate existence had continued. For purposes of this **Article V**, references to "**other enterprises**" shall include employee benefit plans; references to "**fines**" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "**serving at the request of the Company**" shall include any service as a director, officer, employee or agent of the Company which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "**not opposed to the best interests of the Company**" as referred to in this **Article V**.

## Article VI — STOCK

**6.1** ***Stock Certificates; Partly Paid Shares***. The shares of the Company shall be represented by certificates, *provided* that the Board may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Company. Every holder of stock represented by certificates shall be entitled to have a certificate signed by, or in the name of the Company by the Chairperson of the Board or Vice-Chairperson of the Board, or the President or a Vice-President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the Company representing the number of shares registered in certificate form. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Company with the same effect as if such person were such officer, transfer agent or registrar at the date of issue. The Company shall not have power to issue a certificate in bearer form.

The Company may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each stock certificate issued to represent any such partly paid shares, or upon the books and records of the Company in the case of uncertificated partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated. Upon the declaration of any dividend on fully paid shares, the Company shall declare a dividend upon partly paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

**6.2** ***Special Designation on Certificates***. If the Company is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the Company shall issue to represent such class or series of stock; *provided* that, except as otherwise provided in Section 202 of the DGCL, in lieu of the foregoing requirements there may be set forth on the face or back of the certificate that the Company shall issue to represent such class or series of stock, a statement that the Company will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Within a reasonable time after the issuance or transfer of uncertificated stock, the Company shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates pursuant to this **Section 6.2** or Sections 156, 202(a) or 218(a) of the DGCL or with respect to this **Section 6.2** a statement that the Company will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Except as otherwise expressly provided by law, the rights and obligations of the holders of uncertificated stock and the rights and obligations of the holders of certificates representing stock of the same class and series shall be identical.

**6.3** ***Lost Certificates***. Except as provided in this **Section 6.3**, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the Company and cancelled at the same time. The Company may issue a new certificate of stock or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Company may require the owner of the lost, stolen or destroyed certificate, or such owner's legal representative, to give the Company a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

**6.4** ***Dividends***. The Board, subject to any restrictions contained in the certificate of incorporation or applicable law, may declare and pay dividends upon the shares of the Company's capital stock. Dividends may be paid in cash, in property, or in shares of the Company's capital stock, subject to the provisions of the certificate of incorporation.

The Board may set apart out of any of the funds of the Company available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve.

**6.5** ***Stock Transfer Agreements***. The Company shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the Company to restrict the transfer of shares of stock of the Company of any one or more classes owned by such stockholders in any manner not prohibited by the DGCL.

**6.6** ***Registered Stockholders***. The Company:

(i) shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and to vote as such owner;

(ii) shall be entitled to hold liable for calls and assessments the person registered on its books as the owner of shares; and

(iii) shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Louisiana.

**6.7** ***Transfers***. Transfers of record of shares of stock of the Company shall be made only upon its books by the holders thereof, in person or by an attorney duly authorized, and, if such stock is certificated, upon the surrender of a certificate or certificates for a like number of shares, properly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer.

## Article VII — MANNER OF GIVING NOTICE AND WAIVER

**7.1** ***Notice of Stockholder Meetings***. Notice of any meeting of stockholders, if mailed, is given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the Company's records. An affidavit of the Secretary or an Assistant Secretary of the Company or of the transfer agent or other agent of the Company that the notice has been given shall, in the absence of fraud, be *prima facie* evidence of the facts stated therein.

**7.2** ***Notice by Electronic Transmission***. Without limiting the manner by which notice otherwise may be given effectively to stockholders pursuant to the DGCL, the certificate of incorporation or these bylaws, any notice to stockholders given by the Company under any provision of the DGCL, the certificate of incorporation or these bylaws shall be effective if given by a form of electronic transmission consented to by the stockholder to whom the notice is given. Any such consent shall be revocable by the stockholder by written notice to the Company. Any such consent shall be deemed revoked if:

(i) the Company is unable to deliver by electronic transmission two consecutive notices given by the Company in accordance with such consent; and

(ii) such inability becomes known to the Secretary or an Assistant Secretary of the Company or to the transfer agent, or other person responsible for the giving of notice.

However, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

Any notice given pursuant to the preceding paragraph shall be deemed given:

(iii) if by facsimile telecommunication, when directed to a number at which the stockholder has consented to receive notice;

(iv) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice;

(v) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (A) such posting and (B) the giving of such separate notice; and

(vi) if by any other form of electronic transmission, when directed to the stockholder.

An affidavit of the Secretary or an Assistant Secretary or of the transfer agent or other agent of the Company that the notice has been given by a form of electronic transmission shall, in the absence of fraud, be *prima facie* evidence of the facts stated therein.

An "**electronic transmission**" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

Notice by a form of electronic transmission shall not apply to Sections 164, 296, 311, 312 or 324 of the DGCL.

**7.3** ***Notice to Stockholders Sharing an Address***. Except as otherwise prohibited under the DGCL, without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the Company under the provisions of the DGCL, the certificate of incorporation or these bylaws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Any such consent shall be revocable by the stockholder by written notice to the Company. Any stockholder who fails to object in writing to the Company, within 60 days of having been given written notice by the Company of its intention to send the single notice, shall be deemed to have consented to receiving such single written notice.

**7.4** ***Notice to Person with Whom Communication is Unlawful***. Whenever notice is required to be given, under the DGCL, the certificate of incorporation or these bylaws, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. In the event that the action taken by the Company is such as to require the filing of a certificate under the DGCL, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

**7.5** ***Waiver of Notice***. Whenever notice is required to be given under any provision of the DGCL, the certificate of incorporation or these bylaws, a written waiver, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the certificate of incorporation or these bylaws.

## Article VIII — EXCLUSIVE FORUM FOR LITIGATION

Unless the corporation consents in writing to the selection of an alternative forum, the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director or officer or other employee of the corporation to the corporation or the corporation's stockholders, (iii) any action asserting a claim against the corporation or any director or officer or other employee of the corporation arising pursuant to any provision of the Delaware General Corporation Law or the Certificate of Incorporation or these Bylaws (in each case, as they may be amended from time to time), or (iv) any action asserting a claim against the corporation or any director or officer or other employee of the corporation governed by the internal affairs doctrine shall be a state court located within the State of Delaware (or, if no state court located within the State of Delaware has jurisdiction, the federal district court for the District of Delaware).

## Article IX — GENERAL MATTERS

**9.1** ***Fiscal Year***. The fiscal year of the Company shall be fixed by resolution of the Board and may be changed by the Board.

**9.2** ***Seal***. The Company may adopt a corporate seal, which shall be in such form as may be approved from time to time by the Board. The Company may use the corporate seal by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

**9.3** ***Annual Report***. The Company shall cause an annual report to be sent to the stockholders of the Company to the extent required by applicable law. If and so long as there are fewer than 100 holders of record of the Company's shares, the requirement of sending an annual report to the stockholders of the Company is expressly waived (to the extent permitted under applicable law).

**9.4** ***Construction; Definitions***. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the DGCL shall govern the construction of these bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

**Article X — AMENDMENTS**

These bylaws may be adopted, amended or repealed by the stockholders entitled to vote. However, the Company may, in its certificate of incorporation, confer the power to adopt, amend or repeal bylaws upon the directors. The fact that such power has been so conferred upon the directors shall not divest the stockholders of the power, nor limit their power to adopt, amend or repeal bylaws.

A bylaw amendment adopted by stockholders which specifies the votes that shall be necessary for the election of directors shall not be further amended or repealed by the Board.

**Exhibit 4.2**

## REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (the "Agreement") is dated _____, 2015 by and between Super League Gaming, Inc., a Delaware corporation (the "Company"), and each of the signatories hereto (collectively, the "Investor").

## RECITALS

WHEREAS, the Company is offering (the "Offering") for sale up to One Million Six Hundred Sixty-Six Thousand Six Hundred Sixty-Six (1,666,666) shares of common stock, $0.001 par value, at a price of $3.00 per share (the "Shares"), for total offering amount of up to Five Million Dollars ($5,000,000 USD)(the "Offering"); and

WHEREAS**,** to induce the Investor to invest in the Offering, the Company has agreed to provide certain registration rights under the Securities Act of 1933, as amended, and the rules and regulations thereunder, or any similar successor statute (collectively, the "Securities Act"), and applicable state securities laws.

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

## AGREEMENT

1. DEFINITIONS.

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

a. "Person" means a corporation, a limited liability company, an association, a partnership, an organization, a business, an individual, a governmental or political subdivision thereof or a governmental agency.

b. "Register," "registered," and "registration" refer to a registration effected by preparing and filing one or more Registration Statements (as defined below) in compliance with the Securities Act and pursuant to Rule 415 under the Securities Act or any successor rule providing for offering securities on a continuous or delayed basis ("Rule 415"), and the declaration or ordering of effectiveness of such Registration Statement(s) by the United States Securities and Exchange Commission (the "SEC").

c. "Registrable Securities" means the Shares issued to Investor pursuant to the Offering.

d. "Registration Statement" means a registration statement filed with the SEC, pursuant to the Securities Act, that covers the Registrable Securities.

2. REGISTRATION.

a. Piggyback Registration Rights. Investor shall be afforded unlimited piggyback registration rights with respect to the Securities. The Company shall notify the Investor in writing no less than fifteen (15) calendar days prior to the filing of any Registration Statement on Form S-1 or S-3 of its intention to file such registration statement with the Securities and Exchange Commission. The Investor shall have a period of ten (10) calendar days to notify the Company of its intention to have its Registrable Securities included in such Registration Statement.

b. Sufficient Number of Shares Registered. The number of shares of common stock available under the Registration Statement filed pursuant to Section 2(a) shall be sufficient to cover all of the Registrable Securities that the Investor has been issued pursuant to the Offering.

3. RELATED OBLIGATIONS.

a. The Company shall keep the Registration Statement effective pursuant to Rule 415 at all times until the date on which the Investor shall have sold all the Registrable Securities covered by such Registration Statement (the "Registration Period"), which Registration Statement (including any amendments or supplements thereto and prospectuses contained therein) shall not contain any untrue statement of a material fact or omit to a material fact required to be stated therein, or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading.

b. The Company shall prepare and file with the SEC such amendments (including post-effective amendments) and supplements to a Registration Statement and the prospectus used in connection with such Registration Statement, which prospectus is to be filed pursuant to Rule 424 promulgated under the Securities Act, as may be necessary to keep such Registration Statement effective at all times during the Registration Period, and, during such period, comply with the provisions of the Securities Act with respect to the disposition of all Registrable Securities of the Company covered by such Registration Statement until such time as all of such Registrable Securities shall have been disposed of in accordance with the intended methods of disposition by the seller or sellers thereof as set forth in such Registration Statement. In the case of amendments and supplements to a Registration Statement which are required to be filed pursuant to this Agreement (including pursuant to this Section 3(b)) by reason of the Company's filing a report on Form 10-K, Form 10-Q or Form 8-K or any analogous report under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Company shall have incorporated such report by reference into the Registration Statement, if applicable, or shall file such amendments or supplements with the SEC on the same day on which the Exchange Act report is filed which created the requirement for the Company to amend or supplement the Registration Statement.

c. The Company shall furnish to the Investor without charge, (i) at least one (1) copy of such Registration Statement as declared effective by the SEC and any amendment(s) thereto, including financial statements and schedules, all documents incorporated therein by reference, all exhibits and each preliminary prospectus, (ii) one (1) copy of the final prospectus included in such Registration Statement and all amendments and supplements thereto (or such other number of copies as such Investor may reasonably request) and (iii) such other documents as such Investor may reasonably request from time to time in order to facilitate the disposition of the Registrable Securities owned by such Investor.

d. The Company shall use its best efforts to (i) register and qualify the Registrable Securities covered by a Registration Statement under such other securities or "blue sky" laws of such jurisdictions in the United States as the Investor reasonably requests, (ii) prepare and file in those jurisdictions, such amendments (including post-effective amendments) and supplements to such registrations and qualifications as may be necessary to maintain the effectiveness thereof during the Registration Period, (iii) take such other actions as may be necessary to maintain such registrations and qualifications in effect at all times during the Registration Period, and (iv) take all other actions reasonably necessary or advisable to qualify the Registrable Securities for sale in such jurisdictions; provided, however, that the Company shall not be required in connection therewith or as a condition thereto to (w) make any change to its certificate of incorporation or by-laws, (x) qualify to do business in any jurisdiction where it would not otherwise be required to qualify but for this Section 3(d), (y) subject itself to general taxation in any such jurisdiction, or (z) file a general consent to service of process in any such jurisdiction. The Company shall promptly notify the Investor of the receipt by the Company of any notification with respect to the suspension of the registration or qualification of any of the Registrable Securities for sale under the securities or "blue sky" laws of any jurisdiction in the United States or its receipt of actual notice of the initiation or threat of any proceeding for such purpose.

e. As promptly as practicable after becoming aware of such event or development, the Company shall notify the Investor in writing of the happening of any event as a result of which the prospectus included in a Registration Statement, as then in effect, includes an untrue statement of a material fact or omission to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (provided that in no event shall such notice contain any material, nonpublic information), and promptly prepare a supplement or amendment to such Registration Statement to correct such untrue statement or omission, and deliver one (1) copy of such supplement or amendment to each Investor. The Company shall also promptly notify the Investor in writing (i) when a prospectus or any prospectus supplement or post-effective amendment has been filed, and when a Registration Statement or any post-effective amendment has become effective (notification of such effectiveness shall be delivered to the Investor by facsimile on the same day of such effectiveness), (ii) of any request by the SEC for amendments or supplements to a Registration Statement or related prospectus or related information, and (iii) of the Company's reasonable determination that a post-effective amendment to a Registration Statement would be appropriate.

f. The Company shall use its best efforts to prevent the issuance of any stop order or other suspension of effectiveness of a Registration Statement, or the suspension of the qualification of any of the Registrable Securities for sale in any jurisdiction within the United States of America and, if such an order or suspension is issued, to obtain the withdrawal of such order or suspension at the earliest possible moment and to notify the Investor of the issuance of such order and the resolution thereof or its receipt of actual notice of the initiation or threat of any proceeding for such purpose.

g. At the reasonable request of the Investor, the Company shall furnish to the Investor, on the date of the effectiveness of the Registration Statement and thereafter from time to time on such dates as the Investor may reasonably request (i) a letter, dated such date, from the Company's independent certified public accountants in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering, if any, and (ii) an opinion, dated as of such date, of counsel representing the Company for purposes of such Registration Statement, in form, scope and substance as is customarily given in an underwritten public offering (if applicable), addressed to the Investor.

h. The Company shall hold in confidence and not make any disclosure of information concerning the Investor provided to the Company unless (i) disclosure of such information is necessary to comply with federal or state securities laws, (ii) the disclosure of such information is necessary to avoid or correct a misstatement or omission in any Registration Statement, (iii) the release of such information is ordered pursuant to a subpoena or other final, non-appealable order from a court or governmental body of competent jurisdiction, or (iv) such information has been made generally available to the public other than by disclosure in violation of this Agreement or any other agreement. The Company agrees that it shall, upon learning that disclosure of such information concerning the Investor is sought in or by a court or governmental body of competent jurisdiction or through other means, give prompt written notice to the Investor and allow the Investor, at the Investor's expense, to undertake appropriate action to prevent disclosure of, or to obtain a protective order for, such information.

i. The Company shall use its best efforts either to cause all the Registrable Securities covered by a Registration Statement (i) to be listed on each securities exchange on which securities of the same class or series issued by the Company are then listed, if any, if the listing of such Registrable Securities is then permitted under the rules of such exchange or to secure the inclusion for quotation on a national securities exchange for such Registrable Securities. The Company shall pay all fees and expenses in connection with satisfying its obligation under this Section 3(i).

j. The Company shall cooperate with the Investor to the extent applicable, to facilitate the timely preparation and delivery of certificates (not bearing any restrictive legend) representing the Registrable Securities to be offered pursuant to a Registration Statement and enable such certificates to be in such denominations or amounts, as the case may be, as the Investor may reasonably request and registered in such names as the Investor may request; provided, however, delivery of such certificates shall not be made until such Registration Statement is declared effective by the SEC and all applicable state securities regulatory agencies.

k. The Company shall use its best efforts to cause the Registrable Securities covered by the applicable Registration Statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to consummate the disposition of such Registrable Securities.

l. The Company shall otherwise use its best efforts to comply with all applicable rules and regulations of the SEC in connection with any registration hereunder.

m. Within two (2) business days after a Registration Statement which covers Registrable Securities is ordered effective by the SEC, the Company shall deliver, and shall cause legal counsel for the Company to deliver, to the transfer agent for such Registrable Securities (with copies to the Investor) confirmation that such Registration Statement has been declared effective by the SEC in the form attached hereto as Exhibit 1.

n. The Company shall take all other reasonable actions necessary to expedite and facilitate disposition by the Investors of Registrable Securities pursuant to a Registration Statement.

4. OBLIGATIONS OF THE INVESTOR.

The Investor agrees that, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 3(f) or the first sentence of 3(e), the Investor will immediately discontinue disposition of Registrable Securities pursuant to any Registration Statement(s) covering such Registrable Securities until the Investor's receipt of a copy of the supplemented or amended prospectus contemplated by Section 3(e) or receipt of notice that no supplement or amendment is required. Notwithstanding anything to the contrary, the Company shall cause its transfer agent to deliver unlegended certificates for shares of Common Stock to a transferee of the Investor in accordance with the terms of the Offering in connection with any sale of Registrable Securities with respect to which the Investor has entered into a contract for sale prior to the Investor's receipt of a notice from the Company of the happening of any event of the kind described in Section 3(f) or the first sentence of 3(e) and for which the Investor has not yet settled. All selling expenses relating to the Registrable Securities shall be borne exclusively by the Investor.

5. EXPENSES OF REGISTRATION.

All expenses incurred in connection with registrations, filings or qualifications pursuant to Sections 2 and 3, including, without limitation, all registration, listing and qualifications fees, printers, legal and accounting fees shall be paid by the Company.

6. INDEMNIFICATION.

With respect to Registrable Securities which are included in a Registration Statement under this Agreement:

a. To the fullest extent permitted by law, the Company will, and hereby does, indemnify, hold harmless and defend the Investor, the directors, officers, partners, employees, agents, representatives of, and each Person, if any, who controls the Investor within the meaning of the Securities Act or the Exchange Act (each, an "Indemnified Person"), against any losses, claims, damages, liabilities, judgments, fines, penalties, charges, costs, reasonable attorneys' fees, amounts paid in settlement or expenses, joint or several (collectively, "Claims") incurred in investigating, preparing or defending any action, claim, suit, inquiry, proceeding, investigation or appeal taken from the foregoing by or before any court or governmental, administrative or other regulatory agency, body or the SEC, whether pending or threatened, whether or not an indemnified party is or may be a party thereto ("Indemnified Damages"), to which any of them may become subject insofar as such Claims (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon: (i) any untrue statement or alleged untrue statement of a material fact in a Registration Statement or any post-effective amendment thereto or in any filing made in connection with the qualification of the offering under the securities or other "blue sky" laws of any jurisdiction in which Registrable Securities are offered ("Blue Sky Filings"), or the omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (ii) any untrue statement or alleged untrue statement of a material fact contained in any final prospectus (as amended or supplemented, if the Company files any amendment thereof or supplement thereto with the SEC) or the omission or alleged omission to state therein any material fact necessary to make the statements made therein, in light of the circumstances under which the statements therein were made, not misleading; or (iii) any violation or alleged violation by the Company of the Securities Act, the Exchange Act, any other law, including, without limitation, any state securities law, or any rule or regulation there under relating to the offer or sale of the Registrable Securities pursuant to a Registration Statement (the matters in the foregoing clauses (i) through (iii) being, collectively, "Violations"). The Company shall reimburse the Investor and each such controlling person promptly as such expenses are incurred and are due and payable, for any legal fees or disbursements or other reasonable expenses incurred by them in connection with investigating or defending any such Claims. Notwithstanding anything to the contrary contained herein, the indemnification agreement contained in this Section 6(a): (x) shall not apply to a Claim by an Indemnified Person arising out of or based upon a Violation which occurs in reliance upon and in conformity with information furnished in writing to the Company by such Indemnified Person expressly for use in connection with the preparation of the Registration Statement or any such amendment thereof or supplement thereto; (y) shall not be available to the extent such Claim is based on a failure of the Investor to deliver or to cause to be delivered the prospectus made available by the Company, if such prospectus was timely made available by the Company pursuant to Section 3(e); and (z) shall not apply to amounts paid in settlement of any Claim if such settlement is effected without the prior written consent of the Company, which consent shall not be unreasonably withheld. Such indemnity shall remain in full force and effect regardless of any investigation

made by or on behalf of the Indemnified Person. In connection with a Registration Statement, the Investor agrees to indemnify, hold harmless and defend, to the same extent and in the same manner as is set forth in this Section 6(a), the Company, each of its directors, each of its officers who signs the Registration Statement and each Person, if any, who controls the Company within the meaning of the Securities Act or the Exchange Act (each an "Indemnified Party"), against any Claim or Indemnified Damages to which any of them may become subject, under the Securities Act, the Exchange Act or otherwise, insofar as such Claim or Indemnified Damages arise out of or is based upon any Violation, in each case to the extent, and only to the extent, that such Violation occurs in reliance upon and in conformity with written information furnished to the Company by the Investor expressly for use in connection with such Registration Statement; and, subject to Section 6(d), the Investor will reimburse any legal or other expenses reasonably incurred by them in connection with investigating or defending any such Claim; provided, however, that the indemnity agreement contained in this Section 6(b) and the agreement with respect to contribution contained in Section 7 shall not apply to amounts paid in settlement of any Claim if such settlement is effected without the prior written consent of the Investor, which consent shall not be unreasonably withheld; provided, further, however, that the Investor shall be liable under this Section 6(b) for only that amount of a Claim or Indemnified Damages as does not exceed the net proceeds to the Investor as a result of the sale of Registrable Securities pursuant to such Registration Statement. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of such Indemnified Party. Notwithstanding anything to the contrary contained herein, the indemnification agreement contained in this Section 6 with respect to any prospectus shall not inure to the benefit of any Indemnified Party if the untrue statement or omission of material fact contained in the prospectus was corrected and such new prospectus was delivered to the Investor prior to the Investor's use of the prospectus to which the Claim relates.

b. Promptly after receipt by an Indemnified Person or Indemnified Party under this Section 6 of notice of the commencement of any action or proceeding (including any governmental action or proceeding) involving a Claim, such Indemnified Person or Indemnified Party shall, if a Claim in respect thereof is to be made against any indemnifying party under this Section 6, deliver to the indemnifying party a written notice of the commencement thereof, and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume control of the defense thereof with counsel mutually satisfactory to the indemnifying party and the Indemnified Person or the Indemnified Party, as the case may be; provided, however, that an Indemnified Person or Indemnified Party shall have the right to retain its own counsel with the fees and expenses of not more than one counsel for such Indemnified Person or Indemnified Party to be paid by the indemnifying party, if, in the reasonable opinion of counsel retained by the indemnifying party, the representation by such counsel of the Indemnified Person or Indemnified Party and the indemnifying party would be inappropriate due to actual or potential differing interests between such Indemnified Person or Indemnified Party and any other party represented by such counsel in such proceeding. The Indemnified Party or Indemnified Person shall cooperate fully with the indemnifying party in connection with any negotiation or defense of any such action or claim by the indemnifying party and shall furnish to the indemnifying party all information reasonably available to the Indemnified Party or Indemnified Person that relates to such action or claim. The indemnifying party shall keep the Indemnified Party or Indemnified Person fully apprised at all times as to the status of the defense or any settlement negotiations with respect thereto. No indemnifying party shall be liable for any settlement of any action, claim or proceeding effected without its prior written consent, provided, however, that the indemnifying party shall not unreasonably withhold, delay or condition its consent. No indemnifying party shall, without the prior written consent of the Indemnified Party or Indemnified Person, consent to entry of any judgment or enter into any settlement or other compromise which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party or Indemnified Person of a release from all liability in respect to such claim or litigation. Following indemnification as provided for hereunder, the indemnifying party shall be subrogated to all rights of the Indemnified Party or Indemnified Person with respect to all third parties, firms or corporations relating to the matter for which indemnification has been made. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action shall not relieve such indemnifying party of any liability to the Indemnified Person or Indemnified Party under this Section 6, except to the extent that the indemnifying party is prejudiced in its ability to defend such action.

c. The indemnification required by this Section 6 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or Indemnified Damages are incurred.

d. The indemnity agreements contained herein shall be in addition to (i) any cause of action or similar right of the Indemnified Party or Indemnified Person against the indemnifying party or others, and (ii) any liabilities the indemnifying party may be subject to pursuant to the law.

7. CONTRIBUTION.

To the extent any indemnification by an indemnifying party is prohibited or limited by law, the indemnifying party agrees to make the maximum contribution with respect to any amounts for which it would otherwise be liable under Section 6 to the fullest extent permitted by law; provided, however, that: (i) no seller of Registrable Securities guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any seller of Registrable Securities who was not guilty of fraudulent misrepresentation; and (ii) contribution by any seller of Registrable Securities shall be limited in amount to the net amount of proceeds received by such seller from the sale of such Registrable Securities.

8. REPORTS UNDER THE EXCHANGE ACT.

With a view to making available to the Investor the benefits of Rule 144 promulgated under the Securities Act or any similar rule or regulation of the SEC that may at any time permit the Investors to sell securities of the Company to the public without registration ("Rule 144") the Company agrees, upon becoming a publicly reporting company under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), to:

a. make and keep public information available (from the date the Company becomes subject to the periodic reporting requirements of the Exchange Act), as those terms are understood and defined in Rule 144;

b. file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act so long as the Company remains subject to such requirements (it being understood that nothing herein shall limit the Company's obligations under Section 6 hereof) and the filing of such reports and other documents is required for the applicable provisions of Rule 144; and

c. furnish to the Investor, so long as the Investor owns Registrable Securities, promptly upon request, (i) a written statement by the Company that it has complied with the reporting requirements of Rule 144, the Securities Act and the Exchange Act, (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (iii) such other information as may be reasonably requested to permit the Investor to sell such securities pursuant to Rule 144 without registration.

9. AMENDMENT OF REGISTRATION RIGHTS.

Provisions of this Agreement may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and the Investor. Any amendment or waiver effected in accordance with this Section 9 shall be binding upon the Investor and the Company. No consideration shall be offered or paid to any Person to amend or consent to a waiver or modification of any provision of any of this Agreement unless the same consideration also is offered to all of the parties to this Agreement.

10. MISCELLANEOUS.

a. A Person is deemed to be a holder of Registrable Securities whenever such Person owns or is deemed to own of record such Registrable Securities. If the Company receives conflicting instructions, notices or elections from two or more Persons with respect to the same Registrable Securities, the Company shall act upon the basis of instructions, notice or election received from the registered owner of such Registrable Securities.

b. Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Agreement must be in writing and will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon receipt, when sent by facsimile (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party); or (iii) one business day after deposit with a nationally recognized overnight delivery service, in each case properly addressed to the party to receive the same. The addresses and facsimile numbers for such communications shall be:

If to the Company, to:

Super League Gaming, Inc.
2912 Colorado Ave., Suite 200
Santa Monica, CA 90404
Attn: General Counsel

If to the Investor, to:

_____
_____
_____
_____
_____
_____

Any party may change its address by providing written notice to the other parties hereto at least five (5) days prior to the effective date of such change. Written confirmation of receipt (A) given by the recipient of such notice, consent, waiver or other communication, (B) mechanically or electronically generated by the sender's facsimile machine containing the time, date, recipient facsimile number and an image of the first page of such transmission, or (C) provided by a courier or overnight courier service shall be rebuttable evidence of personal service, receipt by facsimile or receipt from a nationally recognized overnight delivery service in accordance with clause (i), (ii) or (iii) above, respectively.

c. Failure of any party to exercise any right or remedy under this Agreement or otherwise, or delay by a party in exercising such right or remedy, shall not operate as a waiver thereof.

d. This Agreement shall be governed by and construed under the law of the State of California, disregarding any principles of conflicts of law that would otherwise provide for the application of the substantive law of another jurisdiction. The Company and the Investor each: (a) agrees that any legal suit, action or proceeding arising out of or relating to this Agreement shall be instituted exclusively in California, or in the United States District Court, Los Angeles, California; (b) waives any objection to the venue of any such suit, action or proceeding and the right to assert that such forum is not a convenient forum; and (c) irrevocably consents to the jurisdiction of the California State Court, or the United States District Court, Los Angeles, California in any such suit, action or proceeding. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION HEREWITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.

e. The Agreement, the Subscription Agreement, and the Stockholders Agreement constitute the entire agreement among the parties hereto with respect to the subject matter hereof and thereof. The foregoing agreements supersede all prior agreements and understandings among the parties hereto with respect to the subject matter hereof and thereof.

f. This Agreement shall inure to the benefit of and be binding upon the permitted heirs, personal representatives, successors and assigns of each of the parties hereto.

g. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

h. This Agreement may be executed in identical counterparts, each of which shall be deemed an original but all of which shall constitute one and the same agreement. This Agreement, once executed by a party, may be delivered to the other party hereto by facsimile transmission of a copy of this Agreement bearing the signature of the party so delivering this Agreement.

i. Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

j. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent and no rules of strict construction will be applied against any party.

k. This Agreement is intended for the benefit of the parties hereto and their respective permitted heirs, personal representatives, successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by any other Person.

IN WITNESS WHEREOF, the parties have caused this Registration Rights Agreement to be duly executed as of the date first written above.

SUPER LEAGUE GAMING, INC.,
A Delaware Corporation

By: _____
Name: Ann Hand
Title: Chief Executive Officer

INVESTOR

By: _____
Name: _____
Title (if applicable):

**EXHIBIT 1**

**FORM OF NOTICE OF EFFECTIVENESS**

OF REGISTRATION STATEMENT

[TRANSFER AGENT]
Attn:

Re: SUPER LEAGUE GAMING, INC.

Ladies and Gentlemen:

We are counsel to Super League Gaming, Inc., a Delaware corporation (the "Company"), and have represented the Company in connection with that certain private placement of shares of common stock (the "Offering"), pursuant to which the Company issued to (the "Investor") shares of its common stock, $0.001 par value (the "Common Stock"). Pursuant to the Offering, the Company also has entered into a Registration Rights Agreement with the Investors (the "Registration Rights Agreement") pursuant to which the Company agreed, among other things, to register the Registrable Securities (as defined in the Registration Rights Agreement) under the Securities Act of 1933, as amended (the "Securities Act"). In connection with the Company's obligations under the Registration Rights Agreement, on _____ ____, the Company filed a Registration Statement on Form _____ (File No. 333-_____) (the "Registration Statement") with the Securities and Exchange Commission (the "SEC") relating to the Registrable Securities which names the Investor as a selling stockholder thereunder.

In connection with the foregoing, we advise you that a member of the SEC's staff has advised us by telephone that the SEC has entered an order declaring the Registration Statement effective under the Securities Act at **[ENTER TIME OF EFFECTIVENESS]** on **[ENTER DATE OF EFFECTIVENESS]** and we have no knowledge, after telephonic inquiry of a member of the SEC's staff, that any stop order suspending its effectiveness has been issued or that any proceedings for that purpose are pending before, or threatened by, the SEC and the Registrable Securities are available for resale under the Securities Act pursuant to the Registration Statement.

Very truly yours,

SUPER LEAGUE GAMING, INC.

By:
Name:
Title:

cc: Investor

THE SECURITIES REPRESENTED BY THIS COMMON STOCK PURCHASE WARRANT HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF A REGISTRATION STATEMENT IN EFFECT WITH RESPECT TO THE SHARES UNDER THE SECURITIES ACT OR AN EXEMPTION FROM THE SECURITIES ACT. ANY SUCH TRANSFER MAY ALSO BE SUBJECT TO COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS AND THE LAWS OF OTHER APPLICABLE JURISDICTIONS.

**COMMON STOCK PURCHASE WARRANT**

For the Purchase of 300,000 Shares of Common Stock, $0.001 par value of

**SUPER LEAGUE GAMING, INC**.
A Delaware Corporation

For value received, **ANN HAND** (the "Holder"), or its assigns, is entitled to, on or before the date specified below on which this Common Stock Purchase Warrant (the "Warrant") expires, but not thereafter, to subscribe for, purchase and receive the number of fully paid and non-assessable shares of the common stock, $0.001 par value (the "Common Stock"), of Super League Gaming, Inc., a Delaware corporation (the "Company") set forth above, at a price of $3.60 per share (the "Exercise Price"), upon presentation and surrender of this Warrant and upon payment by wire transfer or bank check of the Exercise Price for such shares of Common Stock to the Company at its principal office. The Warrant will vest at the rate of 1/36th per month in arrears, subject to acceleration of all unvested shares upon a change of control of the Company consisting of a sale of all or substantially all of the assets of the Company, or a merger, sale of shares or other transaction whereby the voting shareholders of the Company, collectively, prior to the close of such transaction do not hold a majority voting interest in the Company on a post-transaction basis.

1. Exercise of Warrant. This Warrant may be exercised in whole or in part, from time to time and expressly subject to satisfaction of vesting conditions, commencing on the date hereof (the "Issue Date") and expiring on the tenth (10th) anniversary date hereof, by presentation and surrender hereof to the Company, with the Exercise Form annexed hereto duly executed and accompanied by payment by wire transfer or bank check of the Exercise Price for the number of shares specified in such form, together with all federal and state taxes applicable upon such exercise, if any. If this Warrant should be exercised in part only, the Company shall, upon surrender of this Warrant for cancellation, execute and deliver a new Warrant evidencing the right of the Holder to purchase the balance of the shares purchasable hereunder. Upon receipt by the Company of this Warrant and the Exercise Price at the office of the Company, in proper form for exercise, the Holder shall be deemed to be the holder of record of the shares of Common Stock issuable upon such exercise, notwithstanding that certificates representing such shares of Common Stock shall not then be actually delivered to the Holder. If the subscription rights represented hereby shall not be exercised at or before 5:00 P.M., Pacific Time, on the expiration date specified above, this Warrant shall become void and without further force or effect, and all rights represented hereby shall cease and expire.

2. Rights of the Holder. Prior to exercise of this Warrant, the Holder shall not, by virtue hereof, be entitled to any rights of a shareholder in the Company, either at law or equity, and the rights of the Holder are limited to those expressed in this Warrant and are not enforceable against the Company except to the extent set forth herein.

3. Adjustment in Number of Shares.

(A) Adjustment for Reclassifications. In case at any time, or from time to time, after the Issue Date the holders of the Common Stock of the Company (or any shares of stock or other securities at the time receivable upon the exercise of this Warrant) shall have received, or, on or after the record date fixed for the determination of eligible stockholders, shall have become entitled to receive, without payment therefore, other or additional stock or other securities or property (including cash) by way of stock-split, spinoff, reclassification, combination of shares or similar corporate rearrangement (exclusive of any stock dividend of its or any subsidiary's capital stock), then and in each such case the Holder(s) of this Warrant, upon the exercise hereof as provided in Section 1, shall be entitled to receive the amount of stock and other securities and property which such Holder(s) would hold on the date of such exercise if on the Issue Date they had been the holder of record of the number of shares of Common Stock of the Company called for on the face of this Warrant and had thereafter, during the period from the Issue Date, to and including the date of such exercise, retained such shares and/or all other or additional stock and other securities and property receivable by them as aforesaid during such period, giving effect to all adjustments called for during such period. In the event of a declaration of a dividend payable in shares of any equity security of a subsidiary of the Company, then the Company may cause to be issued a warrant to purchase shares of the subsidiary ("Springing Warrant") in an amount equal to such number of shares of the subsidiary's securities to which the Holders would have been entitled, but conditioned upon the exercise of this Warrant as a prerequisite to receiving the shares issuable pursuant to the Springing Warrant.

(B) Adjustment for Reorganization, Consolidation, Merger. In case of any reorganization of the Company (or any other corporation the stock or other securities of which are at the time receivable on the exercise of this Warrant) after the Issue Date, or in case, after such date, the Company (or any such other corporation) shall consolidate with or merge into another corporation or convey all or substantially all of its assets to another corporation, then and in each such case the Holder(s) of this Warrant, upon the exercise hereof as provided in Section 1, at any time after the consummation of such reorganization, consolidation, merger or conveyance, shall be entitled to receive, in lieu of the stock or other securities and property receivable upon the exercise of this Warrant prior to such consummation, the stock or other securities or property to which such Holder(s) would be entitled had the Holders exercised this Warrant immediately prior thereto, all subject to further adjustment as provided herein; in each such case, the terms of this Warrant shall be applicable to the shares of stock or other securities or property receivable upon the exercise of this Warrant after such consummation.

4. Officer's Certificate. Whenever the number of shares of Common Stock issuable upon exercise of this Warrant or the Exercise Price shall be adjusted as required by the provisions hereof, the Company shall forthwith file in the custody of its Secretary at its principal office, an officer's certificate showing the adjusted number of shares of Common Stock or Exercise Price determined as herein provided and setting forth in reasonable detail the facts requiring such adjustment. Each such officer's certificate shall be made available at all reasonable times for inspection by the Holder(s) and the Company shall, forthwith after each such adjustment, deliver a copy of such certificate to the Holder(s). Such certificate shall be conclusive as to the correctness of such adjustment.

5. Restrictions on Transfer. Certificates for the shares of Common Stock to be issued upon exercise of this Warrant shall bear the following legend:

> THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF A REGISTRATION STATEMENT IN EFFECT WITH RESPECT TO THE SHARES UNDER THE SECURITIES ACT OR AN EXEMPTION FROM THE SECURITIES ACT. ANY SUCH TRANSFER MAY ALSO BE SUBJECT TO COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS AND THE LAWS OF OTHER APPLICABLE JURISDICTIONS.

The Holder, by acceptance hereof, agrees that, absent an effective registration statement under the Securities Act of 1933, as amended (the "Act"), covering the disposition of this Warrant or the Common Stock issued or issuable upon exercise hereof, such Holder(s) will not sell or transfer any or all of this Warrant or such Common Stock without first providing the Company with an opinion of counsel reasonably satisfactory to the Company to the effect that such sale or transfer will be exempt from the registration and prospectus delivery requirements of the Act. The Holder agrees that the certificates evidencing the Warrant and Common Stock which will be delivered to the Holder by the Company shall bear substantially the following legend: The Holder of this Warrant, at the time all or a portion of such Warrant is exercised, agrees to make such written representations to the Company as counsel for the Company may reasonably request, in order that the Company may be reasonably satisfied that such exercise of the Warrant and consequent issuance of Common Shares will not violate the registration and prospectus delivery requirements of the Act, or other applicable state securities laws.

6. Loss or Mutilation. Upon receipt by the Company of evidence satisfactory to it (in the exercise of reasonable discretion) of the ownership of and the loss, theft, destruction or mutilation of any Warrant and (in the case of loss, theft or destruction) of indemnity satisfactory to it (in the exercise of reasonable discretion), and (in the case of mutilation) upon surrender and cancellation thereof, the Company will execute and deliver in lieu thereof a new Warrant of like tenor.

7. Reservation of Common Stock. The Company shall at all times reserve and keep available for issue upon the exercise of the Warrants such number of its authorized but unissued shares of Common Stock as will be sufficient to permit the exercise in full of all outstanding Warrants.

8. Notices. All notices and other communications from the Company to the Holder of this Warrant shall be mailed by first class registered or certified mail, postage prepaid, to the address furnished to the Company in writing by the Holder.

9. Change; Waiver. Neither this Warrant nor any term hereof may be changed, waived, discharged or terminated orally but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought.

10. Law Governing. This Warrant shall be construed and enforced in accordance with and governed by the laws of Delaware.

IN WITNESS WHEREOF, the Company has caused this Warrant to be signed by its duly authorized officer on June 16, 2017.

SUPER LEAGUE GAMING, INC.

By: David Steigelfest
David Steigelfest
Co-Founder & CTO

NOTICE OF EXERCISE

TO: SUPER LEAGUE GAMING, INC. DATE: _____

The undersigned hereby elects irrevocably to exercise the within Warrant and to purchase _____ shares of the Common Stock of the Company called for thereby, and hereby makes payment by bank check or wire transfer in the amount of $_____ (at the rate of $3.60 per share of the Common Stock) in payment of the Exercise Price pursuant thereto. Please issue the shares of the Common Stock as to which this Warrant is exercised to:

_____

_____

_____

and if said number of Warrants shall not be all the Warrants evidenced by the Common Stock Purchase Warrant surrendered in connection with this exercise, then the Company shall issue a new Warrant Certificate for the balance remaining of such Warrants to _____ at the address stated above.

By: _____

Print Name: _____

**Exhibit 4.4**

**NEITHER THIS NOTE NOR THE SECURITIES INTO WHICH THIS NOTE IS CONVERTIBLE HAVE BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS.**

**SUPER LEAGUE GAMING, INC.**

**9% SECURED CONVERTIBLE PROMISSORY NOTE**

$ _____ Issuance Date: _____

This 9% Secured Convertible Promissory Note (the "***Note***") is issued by **SUPER LEAGUE GAMING, INC.**, a Delaware corporation (the "***Company***"), in favor of _____ (the "***Holder***") pursuant to the terms set forth herein, and in the Note Purchase Agreement attached herewith between the Company, the Holder and the other parties named as "Purchasers" therein (the "***Note Purchase Agreement***").

**FOR VALUE RECEIVED**, the Company hereby promises to pay to the Holder the principal amount set forth hereinabove (the "***Loan***"), together with accrued but unpaid interest, on the Maturity Date in accordance with the provisions hereof, expressly subject to the conversion provisions set forth in Section hereinbelow.

1. Definitions.

In addition to the terms defined elsewhere in this Note, the following terms shall have the meanings ascribed below:

(a) "***Automatic Conversion Rate***" means all outstanding principal and accrued interest under the Notes shall be automatically converted into shares of common stock at the lesser of (i) $3.60 per share or (ii) a fifteen percent (15.0%) discount to the initial public offering price per share ("***IPO***") of the Company

(b) "***Bankruptcy Event***" means any of the following events: (i) the Company commences a case or other proceeding under any bankruptcy, reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction relating to the Company; (ii) there is commenced against the Company any such case or proceeding that is not dismissed within 60 calendar days after commencement; (iii) the Company is adjudicated insolvent or bankrupt or any order of relief or other order approving any such case or proceeding is entered; (iv) the Company suffers any appointment of any custodian or the like for it or any substantial part of its property that is not

discharged or stayed within 60 calendar days; (v) the Company makes a general assignment for the benefit of creditors.

(c) "***Business Day***" means any day except Saturday, Sunday, and any day which shall be a federal legal holiday or a day on which banking institutions in the State of Delaware are authorized or required by law or other governmental action to close.

(d) "***Event of Default***" has the meaning ascribed thereto in Section 4(a).

(e) "***IPO***" shall mean the initial public offering of the Company's common stock on a national securities exchange.

(f) "***Maturity Date***" means the earlier of (i) the closing of the IPO or (ii) April 30, 2019.

(g) "***Person***" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

2. Principal and Interest; Security Interest.

(a) Principal. Unless converted pursuant to Section 3 hereinbelow, all outstanding principal shall be due and payable on the Maturity Date in United States Dollars.

(b) Interest. The Notes shall bear simple interest at the rate of nine percent (9.0%) per annum ("***Interest***") and shall accrue until the earlier of (i) the closing of the IPO, (ii) or (ii) the Maturity Date. All accrued interest on the Notes shall be converted at the Conversion Rate into common stock issued in the IPO. The default interest rate shall be fifteen percent (15.0%) per annum.

(c) Application of Payments. Except as otherwise expressly provided herein, each payment under this Note shall be applied (i) first to the repayment of any reasonable sums incurred by the Holder for the payment of any expenses incurred in enforcing the terms of this Note, (ii) then to the payment of all accrued but unpaid Interest, and (iii) then to the reduction of the principal amount.

(d) Security Interest. This Note is secured by a security interest in all of the assets, tangible and intangible (collectively, the "***Assets***"), of the Company, as specifically detailed in Exhibit 1 hereto and in the Security Agreement (defined below). The security interest is being granted to the Holder pursuant to the terms of the security agreement ("***Security Agreement***") between the Holder, the Company and other purchasers of Notes. As of the closing of this offering. there shall be no liens or encumbrances of any kind on the Assets. Lender's security interest in the Assets shall also be evidenced by a financing statement on Form UCC-1 to filed with the California secretary of state office. In addition, Holder, and other purchasers of the Notes, shall enter into an intercreditor and collateral agent agreement ("***Intercreditor Agreement***") which shall define the rights and

remedies of Holder and other parties to the Intercreditor Agreement should the Company default hereunder. The Holder and the other parties to the Intercreditor Agreement shall have a pari passu interest in the Assets.

3. Note Conversion.

(a) Automatic Conversion. At the closing of the IPO, all of the outstanding principal and accrued but unpaid Interest hereunder shall be automatically converted into the common stock sold in the IPO at the Automatic Conversion Rate (the "***Automatic Conversion***").

(b) Event of Default.

(a) An "Event of Default" shall mean any one of the following events:

(i) any default in the payment of the principal of, Interest on or other charges in respect of this Note, as and when the same shall become due and payable (whether on the Maturity Date or by acceleration or otherwise);

(ii) the occurrence of a Bankruptcy Event; or

(iii) the Company shall commit any material breach or default of any material provision of this Note, which is not cured within twenty (20) Business Days following written notice to the Company from the Holder specifying in reasonable detail such breach or default.

(b) Upon and during the continuance of an Event of Default, the default interest rate of fifteen percent (15.0%) per annum shall apply.

4. Acceleration Upon Event of Default or Certain Other Events.

(a) Upon the occurrence of (i) an Event of Default as specified in Section 3 above, or (ii) a Change in Control (as defined below), all outstanding principal and accrued interest on the Note shall, at the option of Holder, evidenced by a written notice to Company, become immediately due and payable, without further presentment, notice or demand for payment. For purposes of this Note, a "Change in Control" shall mean the occurrence of any of the following events: (A) a sale of all or substantially all of the assets of the Company; (B) a liquidation or dissolution of the Company; (C) a merger or consolidation in which the Company is not the surviving corporation, unless the stockholders of the Company immediately prior to such consolidation, merger or reorganization, own more than 50% of the Company's voting power immediately after such merger or consolidation; or (D) any consolidation or merger of the Company, or any other corporate reorganization, in which the stockholders of the Company immediately prior to such consolidation, merger or reorganization, own less than 50% of the Company's voting power immediately after such consolidation, merger or reorganization.

5. Covenants.

(a) Security Interests. Without the prior written consent of Holder, under no circumstance shall the Company grant a security interest in any of the Company's assets (other than capital leases and purchase money security interests incurred in the ordinary course of business), including, without limitation, all personal or other property, intellectual property, patents, or any other property owned by the Company, unless and until this Note has been repaid in full or converted pursuant to Section 3 hereinabove; provided, however, it is expressly understood and agreed by Holder that a pari passu security interest is being granted to other investors in the Notes relating to the Assets.

(b) Distributions. The Company shall not, without the prior written consent of the Holder, make any distributions to its stockholders while amounts remain payable to Holder pursuant to this Note.

6. Notices

Any notice, demand or request which may be permitted, required or desired to be given in connection with herewith shall be given in writing and directed to the parties hereto as follows:

| | |
|---|---|
| If to the Company: | Super League Gaming, Inc.<br>2906 Colorado Ave.<br>Santa Monica, CA 90404<br>Attention: General Counsel |
| If to the Holder: | To Holder’s address listed in Exhibit A to the Note Purchase Agreement |

Notices shall be deemed properly delivered and received when delivered to the primary notice party (without regard to the copied parties) (i) if personally delivered, upon receipt or refusal to accept delivery, (ii) if sent via facsimile, upon mechanical confirmation of successful transmission thereof generated by the sending telecopy machine, (iii) if sent by a commercial overnight courier for delivery on the next business day, on the first business day after deposit with such courier service (or the third business day if sent to an address not in the United States), or (iv) if sent by registered or certified mail, five (5) Business Days after deposit thereof in the U.S. mail. Any party may change its address for delivery of notices by properly notifying the others pursuant to this Section 6.

7. General

(a) Amendments; Waivers. No provision of this Note may be waived or amended except in a written instrument signed, in the case of an amendment, by the Company and the Holder or, in the case of a waiver, by the party against whom enforcement of any such waiver is sought. No waiver of any default with respect to any provision, condition or requirement of this Note shall be deemed to be a

continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of either party to exercise any right hereunder in any manner impair the exercise of any such right.

(b) Construction. The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party.

(c) Successors and Assigns. This Note shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. Neither the Company nor the Holder may assign this Note or any rights or obligations hereunder without the prior written consent of the other party; provided, that notwithstanding the foregoing, the Holder may assign this Note, and the related securities, to the following permitted transferees: if Holder is a partnership, limited liability company, corporation or other entity to (i) a partner or former partner of such partnership, a member or former member of such limited liability company or a shareholder of such corporation, (ii) the estate of any such partner, member or shareholder, or (iii) any other Affiliate (as defined below) of such Holder. As used herein, "Affiliate" means any person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a person as such terms are used in and construed under Rule 144 under the Securities Act; and with respect to a Holder, any investment fund or managed account that is managed on a discretionary basis by the same investment manager as such Holder will be deemed to be an Affiliate of such Holder. Any instrument purporting to make an assignment in violation of this Section 8(c) shall be void.

(d) Severability. If any provision of this Note is held to be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Note shall not in any way be affected or impaired thereby and the parties will attempt to agree upon a valid and enforceable provision that is a reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Note.

(e) Replacement of the Note. If any certificate or instrument evidencing this Note is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof, or in lieu of and substitution therefor, a new certificate or instrument, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction and customary and reasonable indemnity, if requested. The applicants for a new certificate or instrument under such circumstances shall also pay any reasonable third-party costs associated with the issuance of such replacement Note.

(f) Usury. To the extent it may lawfully do so, the Company hereby agrees not to insist upon or plead or in any manner whatsoever claim, and will resist any and all

efforts to be compelled to take the benefit or advantage of, usury laws wherever enacted, now or at any time hereafter in force, in connection with any claim, action or proceeding that may be brought by the Holder in order to enforce any right or remedy under this Note. Notwithstanding any provision to the contrary contained in this Note, it is expressly agreed and provided that the total liability of the Company under this Note for payments in the nature of interest shall not exceed the maximum lawful rate authorized under applicable law (the "***Maximum Rate***"), and, without limiting the foregoing, in no event shall any rate of interest or default interest, or both of them, when aggregated with any other sums in the nature of interest that the Company may be obligated to pay under this Note exceed such Maximum Rate. It is agreed that if the maximum contract rate of interest allowed by law and applicable to this Note is increased or decreased by statute or any official governmental action subsequent to the date hereof, the new maximum contract rate of interest allowed by law will be the Maximum Rate of interest applicable to this Note from the effective date forward, unless such application is precluded by applicable law.

(g) Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Note shall be governed by and construed and enforced in accordance with the internal laws of the State of Delaware, without regard to the principles of conflicts of law thereof.

IN WITNESS WHEREOF, the Company has caused this Note to be executed by a duly authorized officer as of the date set forth above.

**SUPER LEAGUE GAMING, INC**.

By:_____

Ann Hand
Chief Executive Officer & President

**EXHIBIT 1**

**LIST OF COLLATERAL**

All cash and cash equivalents, bank and Deposit accounts (including any control account, disbursement account and any other bank accounts), commercial tort claims, insurance claims, rights and policies, letter of credit rights, investment property, Accounts, Goods, Fixtures, Securities, Documents of Title, Inventory, General Intangibles, Equipment and Records now owned or acquired at any time hereafter by Debtor, wherever located or situated, and the products and proceeds (including condemnation proceeds) of the foregoing.

The capitalized terms used hereinabove shall have the meanings set forth below. All other terms used herein are used as defined in the UCC.

"Accounts" means any and all rights to payment for goods, including Inventory, sold or leased or to be sold or leased or for services rendered or to be rendered, whether or not evidenced by an instrument or chattel paper, and no matter how evidenced, including such rights in the form of accounts (as that term is defined in the UCC), accounts receivable, exchange Receivables, contract rights, Instruments, Documents, Chattel Paper, purchase orders, notes drafts, acceptances and all other forms of obligations and receivables, including all right, title and interest of the Debtor in the Inventory which gave rise to any of the foregoing, including the right of stoppage in transit and all returned, rejected, rerouted or repossessed Inventory.

"Chattel paper" means "chattel paper" as that term is defined in the UCC.

"Deposit Account" means a demand, time, savings, passbook or like account maintained with a bank, savings and loan association, credit union or like organization, other than an account evidenced by a certificate of deposit.

"Documents" means "documents" as that term is defined in the UCC, "Documents of Title" means "documents of title" as defined in the UCC.

"Equipment" means "equipment" as defined in the UCC, and also all motor vehicles, rolling stock,

machinery, office equipment, plant equipment, tools, dies, molds, store fixtures, furniture, and other goods, property, and assets which are used and/or were purchased for use in the operation of furtherance of the Debtor's business, and any and all accessions, additions thereto, and substitutions therefore.

"Fixtures" means "fixtures" as that term is defined in the UCC.

"General Intangibles" means "general intangibles" as defined in the UCC and also all books and records; customer lists; goodwill; causes of action; judgments; literary rights; rights to performance; licenses, permits, certificates of convenience and necessity, and similar rights granted by any governmental authority; copyrights, trademarks, patents, patent applications, proprietary processes, blueprints, drawings, designs, diagrams, plans, reports, charts, catalogs, manuals, literature, technical data, proposals, cost estimates, source codes, object codes, computer

programs, computer program flow diagrams, and tangible property embodying or incorporating any of the foregoing, and all other reproductions on paper, or otherwise, of any and all the design, development, manufacture, sale, marketing, lease or use of any or all goods produced or sold or leased or credit extended, or service performed by the Debtor, whether intended for an individual customer or the general business of Debtor.

"Goods" means "goods" as that term is defined in the UCC. "Instruments" means "instruments" as that term is defined in the UCC.

"Inventory" means any and all raw materials, supplies, work in process, finished goods, goods returned by customers, and inventory (as that term is defined in the UCC), including goods in transit, wherever located, which are-held for sale (but excluding goods subject to leases and goods not manufactured by the Debtor or an affiliate and which were purchased for resale directly or indirectly by the Debtor from a non-affiliate pursuant to a then existing agreement or arrangement with a non-affiliate customer), including the right of stoppage in transit, or goods which are or might be used in connection with the manufacturing or packing of such goods, and all such goods, the sale or disposition of which has given rise to an Account, which are returned to and/or repossessed and/or stopped in transit by the Debtor or by the Secured Party, or at any time hereafter in the possession or under the control of the Debtor or the Secured Party or any agent or bailee of the Debtor or the Secured Party, and any documents of title representing any of the above.

"Records" means all books, records, customer lists, ledger cards, computer programs, computer tapes, disks, printouts and records and other property and general intangibles at any time evidencing or relating to any of the types (or items) of property covered by this financing statement, whether now in existence or hereafter created.

"Securities" means "securities" as that term is defined in the UCC.

"UCC" means the Uniform Commercial Code as in effect in the State of California.

THE SECURITIES REPRESENTED BY THIS COMMON STOCK PURCHASE WARRANT HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF A REGISTRATION STATEMENT IN EFFECT WITH RESPECT TO THE SHARES UNDER THE SECURITIES ACT OR AN EXEMPTION FROM THE SECURITIES ACT. ANY SUCH TRANSFER MAY ALSO BE SUBJECT TO COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS AND THE LAWS OF OTHER APPLICABLE JURISDICTIONS.

**CALLABLE COMMON STOCK PURCHASE WARRANT**

For the purchase of the number of shares of
common stock determined by the formula
set forth in the paragraph immediately below, $0.001 par value of
**SUPER LEAGUE GAMING, INC**.
A Delaware Corporation

For value received, _____ (the "***Holder***"), or its assigns, is entitled to, on or before the date specified below on which this Callable Common Stock Purchase Warrant (the "***Warrant***") expires, but not thereafter, to subscribe for, purchase and receive the number of fully paid and non-assessable shares of the common stock, $0.001 par value (the "***Common Stock***"), of Super League Gaming, Inc., a Delaware corporation (the "***Company***") set forth above, at an exercise price ("***Exercise Price***") equal to the lesser of (a) $3.60 per share, or (b) a fifteen percent (15.0%) discount to the price per share of the Company's initial public offering ("***IPO***"). For the avoidance of doubt, the actual number of shares of common stock shall be set upon the final determination of the IPO price per share.

1. Exercise of Warrant. This Warrant is being issued as of the date of investment in the Company's 9% Secured Convertible Promissory Notes (the "***Issue Date***"). The Warrant may be exercised in whole or in part, from time to time, commencing on the close of the IPO. The Warrant shall expire on the fifth (5th) anniversary of the Issue Date, by presentation and surrender hereof to the Company, with the Exercise Form annexed hereto duly executed and accompanied by payment by wire transfer or bank check of the Exercise Price for the number of shares specified in such form, together with all federal and state taxes applicable upon such exercise, if any. If this Warrant should be exercised in part only, the Company shall, upon surrender of this Warrant for cancellation, execute and deliver a new Warrant evidencing the right of the Holder to purchase the balance of the shares purchasable hereunder. Upon receipt by the Company of this Warrant and the Exercise Price at the office of the Company, in proper form for exercise, the Holder shall be deemed to be the holder of record of the shares of Common Stock issuable upon such exercise, notwithstanding that certificates representing such shares of Common Stock shall not then be actually delivered to the Holder. If the subscription rights represented hereby shall not be exercised at or before 5:00 P.M., Pacific Time, on the expiration date specified above, this Warrant shall become void and without further force or effect, and all rights represented hereby shall cease and expire.

2. Call Feature. The Callable Warrant may be called at the written election of the Company at any time following the close of the IPO. Holders shall have 30 calendar days to exercise the Callable Warrant.

3. Rights of the Holder. Prior to exercise of this Warrant, the Holder shall not, by virtue hereof, be entitled to any rights of a shareholder in the Company, either at law or equity, and the rights of the Holder are limited to those expressed in this Warrant and are not enforceable against the Company except to the extent set forth herein.

4. Adjustment in Number of Shares.

(A) Adjustment for Reclassifications. In case at any time, or from time to time, after the Issue Date the holders of the Common Stock of the Company (or any shares of stock or other securities at the time receivable upon the exercise of this Warrant) shall have received, or, on or after the record date fixed for the determination of eligible stockholders, shall have become entitled to receive, without payment therefore, other or additional stock or other securities or property (including cash) by way of stock-split, spinoff, reclassification, combination of shares or similar corporate rearrangement (exclusive of any stock dividend of its or any subsidiary's capital stock), then and in each such case the Holder(s) of this Warrant, upon the exercise hereof as provided in Section 1, shall be entitled to receive the amount of stock and other securities and property which such Holder(s) would hold on the date of such exercise if on the Issue Date they had been the holder of record of the number of shares of Common Stock of the Company called for on the face of this Warrant and had thereafter, during the period from the Issue Date, to and including the date of such exercise, retained such shares and/or all other or additional stock and other securities and property receivable by them as aforesaid during such period, giving effect to all adjustments called for during such period. In the event of a declaration of a dividend payable in shares of any equity security of a subsidiary of the Company, then the Company may cause to be issued a warrant to purchase shares of the subsidiary ("Springing Warrant") in an amount equal to such number of shares of the subsidiary's securities to which the Holders would have been entitled, but conditioned upon the exercise of this Warrant as a prerequisite to receiving the shares issuable pursuant to the Springing Warrant.

(B) Adjustment for Reorganization, Consolidation, Merger. In case of any reorganization of the Company (or any other corporation the stock or other securities of which are at the time receivable on the exercise of this Warrant) after the Issue Date, or in case, after such date, the Company (or any such other corporation) shall consolidate with or merge into another corporation or convey all or substantially all of its assets to another corporation, then and in each such case the Holder(s) of this Warrant, upon the exercise hereof as provided in Section 1, at any time after the consummation of such reorganization, consolidation, merger or conveyance, shall be entitled to receive, in lieu of the stock or other securities and property receivable upon the exercise of this Warrant prior to such consummation, the stock or other securities or property to which such Holder(s) would be entitled had the Holders exercised this Warrant immediately prior thereto, all subject to further adjustment as provided herein; in each such case, the terms of this Warrant shall be applicable to the shares of stock or other securities or property receivable upon the exercise of this Warrant after such consummation.

5. Officer's Certificate. Whenever the number of shares of Common Stock issuable upon exercise of this Warrant or the Exercise Price shall be adjusted as required by the provisions hereof, the Company shall forthwith file in the custody of its Secretary at its principal office, an officer's certificate showing the adjusted number of shares of Common Stock or Exercise Price determined as herein provided and setting forth in reasonable detail the facts requiring such adjustment. Each such officer's certificate shall be made available at all reasonable times for inspection by the Holder(s) and the Company shall, forthwith after each such adjustment, deliver a copy of such certificate to the Holder(s). Such certificate shall be conclusive as to the correctness of such adjustment.

6. Restrictions on Transfer. Certificates for the shares of Common Stock to be issued upon exercise of this Warrant shall bear the following legend:

> THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF A REGISTRATION STATEMENT IN EFFECT WITH RESPECT TO THE SHARES UNDER THE SECURITIES ACT OR AN EXEMPTION FROM THE SECURITIES ACT. ANY SUCH TRANSFER MAY ALSO BE SUBJECT TO COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS AND THE LAWS OF OTHER APPLICABLE JURISDICTIONS.

The Holder, by acceptance hereof, agrees that, absent an effective registration statement under the Securities Act of 1933, as amended (the "Act"), covering the disposition of this Warrant or the Common Stock issued or issuable upon exercise hereof, such Holder(s) will not sell or transfer any or all of this Warrant or such Common Stock without first providing the Company with an opinion of counsel reasonably satisfactory to the Company to the effect that such sale or transfer will be exempt from the registration and prospectus delivery requirements of the Act. The Holder agrees that the certificates evidencing the Warrant and Common Stock which will be delivered to the Holder by the Company shall bear substantially the following legend: The Holder of this Warrant, at the time all or a portion of such Warrant is exercised, agrees to make such written representations to the Company as counsel for the Company may reasonably request, in order that the Company may be reasonably satisfied that such exercise of the Warrant and consequent issuance of Common Shares will not violate the registration and prospectus delivery requirements of the Act, or other applicable state securities laws.

7. Loss or Mutilation. Upon receipt by the Company of evidence satisfactory to it (in the exercise of reasonable discretion) of the ownership of and the loss, theft, destruction or mutilation of any Warrant and (in the case of loss, theft or destruction) of indemnity satisfactory to it (in the exercise of reasonable discretion), and (in the case of mutilation) upon surrender and cancellation thereof, the Company will execute and deliver in lieu thereof a new Warrant of like tenor.

8. Reservation of Common Stock. The Company shall at all times reserve and keep available for issue upon the exercise of the Warrants such number of its authorized but unissued shares of Common Stock as will be sufficient to permit the exercise in full of all outstanding Warrants.

9. Notices. All notices and other communications from the Company to the Holder of this Warrant shall be mailed by first class registered or certified mail, postage prepaid, to the address furnished to the Company in writing by the Holder.

10. Change; Waiver. Neither this Warrant nor any term hereof may be changed, waived, discharged or terminated orally but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought.

11. Law Governing. This Warrant shall be construed and enforced in accordance with and governed by the laws of Delaware.

IN WITNESS WHEREOF, the Company has caused this Warrant to be signed by its duly authorized officer on _____.

SUPER LEAGUE GAMING, INC.

By: Ann Hand
Chief Executive Officer & President

NOTICE OF EXERCISE

TO: SUPER LEAGUE GAMING, INC. DATE: _____

The undersigned hereby elects irrevocably to exercise the within Warrant and to purchase _____ shares of the Common Stock of the Company called for thereby, and hereby makes payment by bank check or wire transfer in the amount of $_____ (at an exercise price equal to the lesser of (a) $3.60 per share, or (b) a fifteen percent (15.0%) discount to the price per share of the Company's initial public offering of common stock. Please issue the shares of the Common Stock as to which this Warrant is exercised to:

_____

_____

_____

and if said number of Warrants shall not be all the Warrants evidenced by the Common Stock Purchase Warrant surrendered in connection with this exercise, then the Company shall issue a new Warrant Certificate for the balance remaining of such Warrants in the name of _____ at the address stated above.

By:

Print Name:

Title:

**Exhibit 10.1**

**SUPER LEAGUE GAMING, INC.**

**2014 STOCK OPTION AND INCENTIVE PLAN**

**As adopted by the Board of Directors on October 13, 2014**

**As amended and approved by the Board of Directors and stockholders effective May 26, 2015**

**As amended and approved by the Board of Directors and stockholders effective May 26, 2016**

**As amended and approved by Board of Directors on June 16, 2017 and stockholders on July 10, 2017**

## 1. PURPOSE

The purpose of this 2014 Stock Option and Incentive Plan ("Plan") is to further the interests of Super League Gaming, Inc., a Delaware corporation ("Company") by providing selected employees, directors, independent contractors and advisors, upon whose judgment, initiative and effort the Company is largely dependent for the successful conduct of its business, the opportunity to participate in a stock option and incentive plan designed to reward them for their services and to encourage them to continue in the employ or service of the Company. This Plan provides for both the direct award and sale of Shares and for the grant of Options to purchase Shares. Options granted under this Plan may include Non-Qualified Options as well as Incentive Options intended to qualify under Section 422 of the Code.

## 2. DEFINITIONS

For all purposes of this Plan, the following definitions shall apply:

2.1. *"Board"* shall mean the Board of Directors of the Company, as constituted from time to time.

2.2. *"Change of Control*" shall mean (i) the sale of all or substantially all of the assets of the Company, or (ii) any merger, consolidation or acquisition of the Company with, by or into another corporation, entity or third party, the result of which is a change in the ownership of more than fifty percent (50%) of the voting capital stock of the Company.

2.3. "*Code*" shall mean the Internal Revenue Code of 1986, as amended, together with the regulations promulgated thereunder.

2.4. "*Committee*" shall mean the committee designated by the Board, which is authorized to administer this Plan in accordance with Section 3 hereof. The Committee shall be composed solely of two or more Non-Employee Directors and otherwise have such membership composition which enables the Options or other rights granted under this Plan to qualify for exemption under Rule 16b-3 with respect to persons who are subject to Section 16 of the Exchange Act. Each member of the Committee shall serve at the pleasure of the Board. If no Committee is designated by the Board, the Board collectively shall act as the Committee and administer this Plan.

2.5. "*Common Stock* " shall mean the Company's common stock, $0.001 par value.

2.6. "*Company*" shall mean Super League Gaming, Inc., a Delaware corporation.

2.7. "*Employee*" shall mean any individual who is a full-time employee of the Company or a Subsidiary.

2.8. "*Exchange Act*" shall mean the Securities Exchange Act of 1934, as amended, or any successor rule.

2.9. "*Exercise Price*" shall mean the amount for which one Share may be purchased upon exercise of an Option, as specified by the Committee in the Option Grant.

2.10. "*Fair Market Value*" shall mean (i) the closing price of a Share on the principal exchange (including the Nasdaq Stock Market or a successor quotation system) on which Common Stock is trading or quoted, on the date on which the Fair Market Value is determined (if Fair Market Value is determined on a date which the principal exchange is closed, Fair Market Value shall be determined on the last immediately preceding trading day), or (ii) if Common Stock is not traded on an exchange or quoted on the Nasdaq Stock Market or a successor quotation system, the fair market value of a Share shall equal the immediately preceding private placement price per share being utilized. Notwithstanding any provision of this Plan to the contrary, no determination made with respect to the Fair Market Value of a Share subject to an Incentive Option shall be inconsistent with Section 422 of the Code.

2.11. "*Immediate Family*" shall mean, with respect to a particular Optionee, the Optionee's spouse, children or grandchildren (including adopted and step children and grandchildren).

2.12. "*Incentive Option*" shall mean an option granted under this Plan which is designated and qualified as an incentive stock option within the meaning of Section 422 of the Code. Neither the Committee, the Board nor the Company shall have any liability if an Option or any part thereof that is intended to be an Incentive Option does not qualify as such. An Option or any part thereof that does not qualify as an Incentive Option is referred to herein as a Non-Qualified Option.

2.13. "*Non-Employee Director*" shall have the meaning set forth in Rule 16b-3 promulgated by the Securities and Exchange Commission pursuant to the Exchange Act.

2.14. "*Non-Qualified Option*" shall mean an option (or warrant for any person other than an Employee or Non-Employee Director) granted under this Plan which is designated as a non-qualified stock option and which does not qualify as an incentive stock option within the meaning of Section 422 of the Code.

2.15. "*Offeree*" shall mean any person who has been offered the right to acquire Shares under this Plan (other than upon exercise of an Option).

2.16. "*Option*" shall mean an Incentive Option or a Non-Qualified Option.

2.17. "*Option Grant*" shall mean the written instrument which contains the terms, conditions and restrictions pertaining to each Option granted to an Optionee.

2.18. "*Optionee*" shall mean any person who has been granted an Option under this Plan.

2.19. "*Permanent Disability*" shall mean a permanent and total disability within the meaning of Section 22(e)(3) of the Code.

2.20. "*Plan*" shall mean this Super League Gaming, Inc. 2014 Stock Option and Incentive Plan, as amended from time to time.

2.21. "*Purchase Price*" shallmean the consideration for which one Share may be acquired under this Plan (other than upon exercise of an Option), as specified by the Committee in the Shane Award.

2.22. "*Relationship*" shall mean any individual who is (i) an Employee of the Company or a Subsidiary, (ii) a member or a member designee of the Board or of the board of directors of a Subsidiary, or (iii) an independent contractor or advisor who performs services for the Company or a Subsidiary.

2.23. "*Share*" shall mean one share of Common Stock, as adjusted in accordance with Section 9 (if applicable).

2.24. "*Share Award*" shall mean the written instrument which contains the terms, conditions and restrictions pertaining to each award or sale of Shares to an Offeree.

2.25. "*Subsidiary*" shall mean any company or entity of which the Company owns, directly or indirectly, the majority of the combined voting power of all classes of stock.

2.26. "*Termination for Cause*" shall mean the termination of the employment or service of an individual with the Company, whether voluntary or involuntary, that is determined by the Committee, in its sole discretion, to have resulted from (i) the unauthorized use or disclosure of the confidential information or trade secrets of the Company, which use or disclosure causes harm to the Company, (ii) the conviction of, or plea of "guilty" or "no contest" to, a felony under the laws of the United States or any state thereof, (iii) willful misconduct, or (iv) continued failure to perform assigned duties after receiving written notification from the Board. The foregoing, however, shall not be deemed to be an exclusive list of all acts or omissions that the Committee may consider as grounds for Termination for Cause.

**3. ADMINISTRATION**

3.1. *Committee Procedures.* The Board shall designate one of the members of the Committee as chairman. The Committee may hold meetings at such times and places as it shall determine. The acts of a majority of the Committee members present at meetings at which a quorum exists, or acts reduced to or approved in writing by all Committee members, shall be valid acts of the Committee.

3.2. *Committee Responsibilities.* Subject to the provisions of this Plan, the Committee shall have full authority and discretion to take the following actions:

3.2.1. To interpret this Plan and to apply its provisions;

3.2.2. To adopt, amend or rescind rules, procedures and forms relating to this Plan;

3.2.3. To authorize any person to execute, on behalf of the Company, any instrument required to carry out the purposes of this Plan;

3.2.4. To determine when Shares are to be awarded or offered for sale and when Options are to be granted under this Plan;

3.2.5. To select the Offerees and Optionees;

3.2.6. To determine the number of Shares to be offered to each Offeree or to be made subject to each Option;

3.2.7. To prescribe the terms, restrictions and conditions of each award or sale of Shares, including, without limitation, the Purchase Price and the vesting of the award (including accelerating the vesting of awards);

3.2.8. To prescribe the terms, restrictions and conditions of each Option, including, without limitation, the Exercise Price and the vesting or duration of the Option (including accelerating the vesting of the Option), and to determine whether such Option is to be classified as an Incentive Option or as a Non-Qualified Option;

3.2.9. To amend any outstanding Share Award or Option Grant, subject to the limitatio ns of this Plan;

3.2.10. To correct any defect, supply any omission, or reconcile any inconsistency in this Plan or any Option or other right granted under this Plan; and

3.2.11. To take any other actions or make any other determinations or interpretations deemed necessary or advisable for the administration of this Plan.

3.3. *Indemnification.* No member of the Committee shall be liable for any action that he has taken or has failed to take in good faith with respect to this Plan, any Option, or any right to acquire Shares under this Plan. Service on the Committee shall constitute service as a director of the Company so that a member of the Committee shall be entitled to indemnification and reimbursement as a director of the Company to the full extent allowable under its governing instruments and applicable law.

3.4. *Other*. Subject to the requirements of applicable law, the Committee may designate persons other than members of the Committee to carry out its responsibilities and may prescribe such conditions and limitations as it may deem appropriate, except that the Committee may not delegate its authority with regard to the selection for participation of or the granting of Options or other rights under this Plan to persons subject to Section 16 of the Exchange Act. All decisions, interpretations and other actions of the Committee shall be final and binding on all Offerees, all Optionees, and all persons deriving their rights from an Offeree or Optionee.

## 4. ELIGIBILITY

4.1. *General Rule.* Non-Qualified Options may be granted to any individual who has a Relationship with the Company or a Subsidiary. Incentive Options may be granted to any Employee of the Company or a Subsidiary.

4.2. *Non-Employee Directors*. Notwithstanding any provision of this Plan to the contrary, Non- Employee Directors shall only be eligible for the grant of Non-Qualified Options as described in this Section 4.2.

4.3. *Ten-Percent Stockholders*. An Employee who owns more than 10% of the total combined voting power of all classes of outstanding stock of the Company or any of its Subsidiaries shall not be eligible for the grant of an Incentive Option unless such grant satisfies the requirements of Section 422(c)(6) of the Code.

4.4. *Attribution Rules*. For purposes of Section 4.3 above, in determining stock ownership, an Employee shall be deemed to own the stock owned, directly or indirectly, by or for his brothers, sisters, spouse, ancestors and lineal descendants. Stock owned, directly or indirectly, by or for a company, corporation, partnership, estate or trust shall be deemed to be owned proportionately by or for its members, shareholders, partners or beneficiaries.

4.5. *Outstanding Stock.* For purposes of Section 4.3 above, “outstanding stock” shall include all stock actually issued and outstanding immediately after the grant. “Outstanding stock” shall not include shares authorized for issuance under outstanding options or similar rights held by the Employee or by any other person.

## 5. STOCK SUBJECT TO THIS PLAN

5.1. *Basic Limitation*. Shares offered under this Plan shall be authorized but unissued shares, or treasury shares. Four Million Five Hundred Thousand (4,500,000) shares have been reserved for issuance under this Plan (upon exercise of Options or other rights to acquire Shares). The aggregate number of Shares which may be issued under this Plan shall at all times be subject to adjustment pursuant to Section
9. The number of Shares which are subject to Options or other rights outstanding at any time under this Plan shall not exceed the number of Shares which then remain available for issuance unde r this Plan. The Company, during the term of this Plan, shall at all times reserve and keep available sufficient Shares to satisfy the requirements of this Plan.

5.2. *Additional Shares*. In the event that any outstanding Option or other right for any reason expires or is canceled or otherwise terminated, the Shares allocable to the unexercised portion of such Option or other right shall again be available for the purposes of this Plan. If Shares are forfeited before any dividends have been paid with respect to the Shares, then such Shares shall again be available for award or sale under this Plan.

## 6. TERMS AND CONDITIONS OF OPTIONS

6.1. *Option Grant*. Each grant of an Option under this Plan shall be evidenced by an Option Grant approved by the Committee. Such Option shall be subject to all applicable terms and conditions of this Plan and may be subject to any other terms and conditions which are not inconsistent with this Plan and which the Committee deems appropriate for inclusion in an Option Grant. The provisions of the various Option Grants entered into under this Plan need not be identical. In no event shall the aggregate fair market value (determined as of the time the Incentive Option is granted) of the Shares with respect to which Incentive Options (granted under this Plan or any other plans of the Company) are exercisable for the first time by an Optionee in any calendar year exceed $100,000. No Incentive Option shall be granted pursuant to this Plan after ten years from the earlier of the date of adoption of this Plan by the Board or the date of approval of this Plan by the Company's stockholders.

6.2. *Number of Shares*. Each Option Grant shall specify the number of Shares that are subject to the Option. The Option Grant shall also specify whether the Option is a Non-Qualified Option or an Incentive Option.

6.3. *Exercise Price*. Each Option Grant shall specify the Exercise Price. The Exercise Price of an Incentive Option shall not be less than 100% of the Fair Market Value of a Share on the date of grant. The Exercise Price of a Non-Qualified Option shall not be less than 85% of the Fair Market Value of a Share on the date of grant. Subject to the preceding two sentences, the Exercise Price under any Option shall be determined by the Committee at its sole discretion. The Exercise Price shall be payable in one of the forms described in Sections 8.1 and 8.2.

6.4. *Withholding Taxes*. As a condition to the exercise of an Option, the Optionee shall make such arrangements as the Committee may require for the satisfaction of any federal, state or local withholding tax obligations that may arise in connection with such exercise. The Optionee shall also make such arrangements as the Committee may require for the satisfaction of any federal, state or local withholding tax obligations that may arise in connection with the disposition of Shares acquired by exercising an Option.

6.5. *Exercisability and Term*. Each Option Grant shall specify the date when all or any installment of the Option is to become exercisable. An Option may be exercised only by delivery to the Company of a written notice of exercise signed by the proper person together with payment in full for the number of Shares which the Option is exercised. The Option Grant shall also specify the term of the Option. The term shall not exceed ten years from the date of grant. Subject to the preceding three sentences, the Committee at its sole discretion shall determine when all or any installment of an Option is to become exercisable and when an Option is to expire. Notwithstanding anything to the contrary herein, no Option will be exercisable (and any attempted exercise will be deemed null and void) if such exercise would create a right of recovery for "short-swing profits" under Section 16(b) of the Exchange Act. This Section 6.5 is intended to protect persons subject to Section 16(b) against inadvertent violations of Section 16(b) and shall not apply with respect to any particular exercise of an Option if the limitation in the preceding sentence of this Section 6.5 is expressly waived in writing by the Optionee at the time of such exercise.

6.6. *Termination of Relationship*. Except as the Committee may otherwise determine at any time with respect to any particular Non-Qualified Option granted hereunder:

6.6.1. If an Optionee ceases to have a Relationship for any reason other than his death or Permanent Disability, any Options granted to him shall terminate 90 days from the date on which such Relationship terminates. During the ninety day period, the Optionee may exercise any Option granted to him but only to the extent such Option was exercisable on the date of termination of his Relationship and provided that such Option has not previously expired by its own terms or otherwise terminated as provided herein. A leave of absence approved in writing by the Committee shall not be deemed a termination of Relationship for purposes of this Section 6.6, but no Option may be exercised during any such leave of absence, except during the first 90 days thereof.

6.6.2. For purposes hereof, termination of an Optionee's Relationship for reasons other than death or Permanent Disability shall be deemed to take place upon the earliest to occur of the following: (i) the date of the Optionee's retirement from employment under the normal retirement policies of the Company; (ii) the date of the Optionee's retirement from employment with the approval of the Committee because of disability (other than Permanent Disability); (iii) the date the Optionee receives notice or advice that his employment or other Relationship is terminated; or
(iv) the date the Optionee ceases to render the services which he was employed, engaged or retained to render to the Company (absences for temporary illness, emergencies and vacations or leaves of absence approved in writing by the Committee excepted). The fact that the Optionee may receive payment from the Company after termination for vacation pay, for services rendered prior to termination, for salary in lieu of notice or for other benefits shall not affect the termination date.

6.6.3. Notwithstanding anything in this Plan to the contrary, no Option may be exercised or claimed by Optionee following the termination of his Relationship as a result of a Termination for Cause, and no Option may be exercised or claimed while the Optionee is being investigated for a Termination for Cause.

6.7. *Death or Permanent Disability of Optionee.* Except as the Committee may otherwise determine at any time with respect to any particular Non-Qualified Option granted hereunder, if an Optionee shall die at a time when he is in a Relationship or if the Optionee shall cease to have a Relationship by reason of Permanent Disability, any Options granted to him shall terminate one year after the date of his death or termination of Relationship due to Permanent Disability unless by its terms it shall expire before such date or otherwise terminate earlier as provided herein, and shall only be exercisable to the extent that it would have been exercisable on the date of his death or his termination of Relationship due to Permanent Disability. In the case of death, the Option may be exercised by the person or persons to whom the Optionee's rights under the Option shall pass by will or by the laws of descent and distribution.

6.8. *Privileges of Stock Ownership.* No person entitled to exercise any Option granted under this Plan shall have any of the rights or privileges of a stockholder of the Company with respect to any Shares issuable upon exercise of such Option until such person has become the holder of record of such Shares. No adjustment shall be made for dividends or distributions of rights in respect of such Shares if the record date is prior to the date on which such person becomes the holder of record, except as provided in Section 9 hereof.

6.9. *Amendment of Options.* The Committee may amend, modify, extend, renew or terminate outstanding Options or may accept the cancellation of outstanding Options (to the extent not previously exercised), whether or not granted hereunder, in return for the grant of new Options at the same or a different price. The Committee may shorten the vesting period, extend the exercise period, remove any or all restrictions or convert an Incentive Option to a Non-Qualified Option, if, in its sole discretion, the Committee determines that such action is in the best interests of the Company. The foregoing notwithstanding, the Optionee's consent to any such action shall be required unless the Board determines that the action, taking into account any related action, would not materially and adversely affect the Optionee.

6.10. *Restrictions on Transfer of Shares.* Any Shares issued upon exercise of an Option shall be subject to such special forfeiture conditions, rights of repurchase, rights of first refusal and other transfer restrictions as the Committee may determine. Such restrictions shall be set forth in the applicable Option Grant and shall apply in addition to any general restrictions that may apply to all holders of Shares. Each certificate representing any Shares issued upon exercise of an Option shall bear a legend making appropriate reference to the restrictions imposed on the Shares.

## 7. TERMS AND CONDITIONS OF AWARDS OR SALES

7.1. *Share Award.* Each award or sale of Shares under this Plan (other than upon exercise of an Option) shall be evidenced by a Share Award approved by the Committee. Such award or sale shall be subject to all applicable terms and conditions of this Plan and may be subject to any other terms and conditions which are not inconsistent with this Plan and which the Committee deems a ppropriate for inclusion in a Share Award. The provisions of the various Share Awards entered into under this Plan need not be identical.

7.2. *Duration of Offers and Nontransferability of Rights.* Any right to acquire Shares under this Plan (other than an Option) shall automatically expire if not exercised by the Offeree within thirty days after the grant of such right was communicated to the Offeree by the Committee. Such right shall not be transferable and shall be exercisable only by the Offeree to whom such right was granted.

7.3. *Purchase Price.* The Purchase Price shall be determined by the Committee at its sole discretion. The Purchase Price shall be payable in one of the forms described in Sections 8.1, 8.2 or 8.3.

7.4. *Withholding Taxes.* As a condition to the receipt or purchase of Shares, the Offeree shall make such arrangements as the Committee may require for the satisfaction of any federal, state or local withholding tax obligations that may arise in connection with a recognition of income from such Shares (either on the date of grant or the date the restrictions lapse).

7.5. *Amendment of Share Awards*. The Committee may amend, modify or terminate any outstanding Share Awards. The Committee may shorten the vesting period or remove any or all restrictions if, in its sole discretion, the Committee determines that such action is in the best interests of the Company. The foregoing notwithstanding, the Offeree's consent to any such action shall be required unless the Board determines that the action, taking into account any related action, would not materially and adversely affect the Offeree.

7.6. *Restrictions on Transfer of Shares.* Any Shares awarded or sold under this Plan shall be subject to such special forfeiture conditions, rights of repurchase, rights of first refusal and other transfer restrictions as the Committee may determine. Such restrictions shall be set forth in the applicable Stock Purchase Agreement and shall apply in addition to any general restrictions that may apply to all holders of Shares. Each certificate representing any Shares awarded or sole under this Plan will bear a legend making appropriate reference to the restrictions imposed on the Shares.

**8. PAYMENT FOR SHARES**

8.1. *General Rule.* The entire Purchase Price or Exercise Price for the number of Shares being purchased and, if applicable, any federal, state or local withholding taxes required to be paid in accordance with Section 6.4 or 7.4 hereof, shall be payable in full, by cash or by certified or cashier's check payable to the order of the Company or equivalent thereof acceptable to the Company, at the time when such Shares are purchased, except as provided in Sections 8.2 and 8.3 below. Notwithstanding the foregoing, the Company shall have the right to postpone the time of delivery of the Shares for such period as may be required for it to comply, with reasonable diligence, with any applicable listing requirements of any national securities exchange (including the Nasdaq Stock Market) or any federal, state or local law. If an Optionee or Offeree fails to accept delivery of or fails to pay for all or any portion of the Shares requested, the Committee shall have the right to terminate his Option (or other right to acquire Shares) with respect to the number of such Shares requested.

8.2. *Surrender of Stock; Cashless Exercise.* At the discretion of the Committee, payment may be made in whole or in part with Shares which were acquired by the Optionee in the open market or which have already been owned by the Optionee or his representative for more than six months, and which certificate(s) representing the Shares is surrendered to the Company duly endorsed and in good form for transfer. Such Shares shall be valued at their Fair Market Value on the date when the new Shares are purchased under this Plan.

8.3. *Services Rendered.* At the discretion of the Committee, Shares may be awarded under this Plan in consideration of services rendered to the Company or a Subsidiary prior to the award. If Shares are awarded without the payment of a Purchase Price in cash, the Committee shall make a determination (at the time of the award) of the value of the services rendered by the Offeree and the sufficiency of the consideration to meet the requirements of this Section 8.3.

**9. ADJUSTMENT OF SHARES**

9.1. *General.* In the event of a subdivision of the outstanding Common Stock, a declaration of a dividend payable in Shares, a declaration of a dividend payable in a form other than Shares in an amount that has a material effect on the value of Shares, a combination or consolidation of the outstanding Common Stock (by reclassification or otherwise) into a lesser number of Shares, a recapitalization or a similar occurrence, the Committee shall make at its sole discretion appropriate adjustments in one or more of: (i) the number of Shares available for future grants under Section 5; (ii) the number of Shares covered by each outstanding Option; (iii) the Exercise Price under each outstanding Option; (iv) the number of Shares covered by each outstanding award; or (v) the Purchase Price of each outstanding award.

9.2. *Reorganization.* In the event that the Company is a party to a merger or other reorganization, outstanding Options shall be subject to the agreement of merger or reorganization. Such agreement may provide for the assumption of outstanding Options by the surviving corporation or its parent

or for their continuation by the Company (if the Company is a surviving corporation); *provided, however,* that if assumption or continuation of the outstanding Options is not provided by such agreement then the Committee shall have the option of offering the payment of a cash settlement equal to the difference between the amount to be paid for one Share under such agreement and the Exercise Price, in all cases without the Optionees' consent.

9.3. *Reservation of Rights.* Except as provided in this Section 9, an Optionee or Offeree shall have no rights by reason of any subdivision or consolidation of shares of stock of any class, the payment of any dividend or any other increase or decrease in the number of shares of stock of any class. Any issue by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number or Exercise Price of Shares subject to an Option. The grant of an Option pursuant to this Plan shall not affect in any way the right or power of the Company to make adjustments, reclassifications, reorganizations or changes of its capital or business structure, to merge or consolidate or to dissolve, liquidate, sell or transfer all or any part of its business or assets.

## 10. CHANGE OF CONTROL

In the event of a Change of Control, all restrictions on all awards or sales of Shares will accelerate and vesting on all unexercised and unvested Options will occur on the Change of Control Date.

## 11. LEGAL AND REGULATORY REQUIREMENTS

Shares shall not be issued under this Plan unless the issuance and delivery of such Shares complies with (or is exempt from) all applicable requirements of law, including (without limitation) the Securities Act of 1933, as amended, the rules and regulations promulgated thereunder, state securities laws and regulations and the regulations of any stock exchange on which the Company's securities may then be listed.

## 12. NO EMPLOYMENT RIGHTS

Nothing contained in this Plan or in any right or Option granted under this Plan shall confer upon any Offeree or Optionee any right with respect to the continuation of his employment by or other Relationship with the Company or a Subsidiary. The Company and its Subsidiaries reserve the right to terminate any person's employment and/or Relationship at any time and for any reason, with or without notice.

## 13. DURATION AND AMENDMENTS

13.1. *Term of this Plan.* This Plan shall terminate automatically on July 1, 2027 and may be terminated on any earlier date pursuant to Section 13.2 below.

13.2. *Right to Amend, Suspend or Terminate this Plan.* The Board of Directors may amend, suspend or terminate this Plan at any time and from time to time. An amendment of this Plan shall be subject to the approval of the Company's stockholders only to the extent required by applicable laws, regulations or rules.

13.3. *Effect of Termination.* No Shares shall be issued or sold under this Plan after the termination thereof, except upon exercise of an Option granted prior to such termination. The termination of this Plan shall not affect any Share previously issued or any Option previously granted under this Plan.

**14. PLAN NOT A TRUST**

Nothing contained in this Plan and no action taken pursuant to this Plan shall create or be construed to create a trust of any kind, or a fiduciary relationship, between the Company and any Offeree or Optionee, the executor, administrator or other personal representative, or designated beneficiary of such Offeree or Optionee, or any other persons. If and to the extent that any Offeree or Optionee or such Offeree's or Optionee's executor, administrator or other personal representative, as the case may be, acquires a right to receive any payment from the Company pursuant to this Plan, such right shall be no greater than the right of an unsecured general creditor of the Company.

**15. NOTICES**

Each Offeree or Optionee shall be responsible for furnishing the Committee with the current and proper address for the mailing of notices and delivery of agreements, Common Stock and cash pursuant to this Plan. Any notices required or permitted to be given shall be deemed given if directed to the person to whom addressed at such address and mailed by regular United States mail, first-class and prepaid. If any item mailed to such address is returned as undeliverable to the addressee, mailing will be suspended until the Offeree or Optionee furnishes the proper address. This provision shall not be construed as requiring the mailing of any notice or notification if such notice is not required under the terms of this Plan or any applicable law.

**16. SEVERABILITY OF PROVISIONS**

If any provision of this Plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions hereof, and this Plan shall be construed and enforced as if such provisions had not been included.

**17. PAYMENT TO MINORS, ETC.**

Any benefit payable to or for the benefit of a minor, an incompetent person or other person incapable of receipting therefor shall be deemed paid when paid to such person's guardian or to the party providing or reasonably appearing to provide for the care of such person, and such payment shall fully discharge the Committee, the Company and other parties with respect thereto.

**18. HEADINGS AND CAPTIONS**

The headings and captions herein are provided for reference and convenience only, shall not be considered part of this Plan, and shall not be employed in the construction of this Plan.

**19. CONTROLLING LAW**

This Plan shall be construed and enforced according to the laws of the State of Delaware to the extent not preempted by federal law, which shall otherwise control.

**20. STOCKHOLDER APPROVAL**

The grant of Options under this Plan shall be subject to approval of this Plan by the stockholders of the Company within twelve months after the date this Plan was adopted by the Board. Such stockholder approval shall be obtained in the degree and manner required under applicable law. The Committee may grant Options under this Plan prior to approval by the stockholders, but until such approval is obtained, no such Option shall be exercisable.

**21. EXECUTION**

To record the adoption of this amended Plan by the Board, and unanimously approved by the stockholders of the Company, has caused its authorized officer to execute the same.

SUPER LEAGUE GAMING, INC.

By: /s/ Ann Hand
Ann Hand
Chief Executive Officer & President

**Exhibit 10.2**

**2014 STOCK OPTION AND INCENTIVE PLAN**

OPTION GRANT

Optionee: Date of Grant:

Grant No: Exercise Price:

Type of Option: Number of Shares:

Term of Option: Commencing on the Date of Grant and expiring

Subject to the terms, conditions and restrictions of the 2014 Stock Option and Incentive Plan (the "Plan") and this Option Grant, Super League Gaming, Inc. (the "Company") hereby grants an option (the "Option") to purchase the above-referenced number of shares of common stock, $0.001 par value ("Common Stock"), of the Company exercisable at the exercise price stated above. Capitalized terms used and not otherwise defined herein shall have the meanings assigned to them in the Plan.

The Option granted hereunder shall be exercisable only to the extent it has vested. The Option shall vest per the vesting schedule set forth below so long as Optionee continues to have an uninterrupted Relationship with the Company or a Subsidiary up to, and including, each scheduled vesting date. Optionee will only have the right to exercise any vested portion(s) of the Option. If Optionee ceases to have a Relationship with the Company or a Subsidiary up to, and including, the date upon which all or any installment of the option vest(s), the Optionee shall have no right, nor be entitled, to exercise the unvested portion of the Option. The vesting schedule for the Option under this Option Grant is as follows:

**[Insert vesting conditions]**

The Option shall not be assigned, pledged, sold, encumbered, transferred or otherwise disposed of by Optionee, either voluntarily or by operation of law, other than by will or the laws of descent and distribution, and during the lifetime of Optionee the Option shall be exercisable only by such Optionee. Any attempted assignment, pledge, sale, encumbrance, transfer or other disposition of the Option, other than in accordance with the terms set forth herein, shall be null and void, and of no effect.

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[1] In order to qualify as an Incentive Option, numerous conditions must be met, including the approval of the Plan by the stockholders of the Company within twelve months after the date of adoption of the Plan by the Board. Neither the Committee, the Board nor the Company shall have any liability if the Option does not qualify as an Incentive Option. Any portion of the Option that does not qualify as an Incentive Option shall be deemed to be a Nonstatutory Option.

[2] The Option shall terminate in accordance with the Plan.

NOTE: A copy of the Plan is attached. The Plan details the terms, conditions and restrictions of the Option and the underlying shares of Common Stock, and should be carefully read in its entirety. In addition, this Option Grant may contain additional terms, conditions and restrictions of the Option and the underlying shares of Common Stock. If there is any question, ambiguity or contradiction in this Option Grant, the language of the Plan shall govern.

In Witness Whereof, the undersigned executes this Option Grant as of the date first set forth above:

Super League Gaming, Inc.,
a Delaware Corporation

By: _____
*Ann Hand*
*Chief Executive Officer*

Accepted and Agree to as of the Date of Grant:

Signature: _____

Passport or Other Government Issued Identification Number: _____

Residence Address: _____
(street address) (city, state, zip code)

Telephone: _____

E-Mail: _____

Social Security Number: _____

**SUBSCRIBER'S NAME:** _____

**NTH GAMES, INC.**

**SUBSCRIPTION BOOKLET**

THE PRIVATE PLACEMENT OF SECURITIES DESCRIBED HEREIN HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER ANY SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER JURISDICTION. THIS PRIVATE PLACEMENT IS MADE PURSUANT TO SECTION 4(2) OF SAID ACT, WHICH EXEMPTS FROM SUCH REGISTRATION TRANSACTIONS NOT INVOLVING A PUBLIC OFFERING. FOR THIS REASON, THESE SECURITIES WILL BE SOLD ONLY TO INVESTORS WHO MEET CERTAIN MINIMUM SUITABILITY QUALIFICATIONS DESCRIBED HEREIN.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE SECURITIES OFFERED, INCLUDING THE MERITS AND RISKS INVOLVED. AN INVESTOR SHOULD BE PREPARED TO BEAR THE ECONOMIC RISK OF AN INVESTMENT IN THE COMPANY FOR AN INDEFINITE PERIOD OF TIME BECAUSE THE SECURITIES DESCRIBED HEREIN HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR THE LAWS OF ANY OTHER JURISDICTION, AND, THEREFORE, CANNOT BE SOLD UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE. THERE IS NO OBLIGATION OF THE ISSUER TO REGISTER THE SECURITIES UNDER THE SECURITIES ACT OR THE LAWS OF ANY OTHER JURISDICTION.

**SUBSCRIPTION AGREEMENT**

This Subscription Agreement (the "**Agreement**") relates to a private placement of 500,000 shares of common stock, $0.0001 par value, priced at $2.00 per share (the **Shares**"), for a total offering amount of $1,000,000 (the "**Offering**") by Nth Games, Inc., a Delaware corporation with a place of business located at 2912 Colorado Ave., Suite 200, Santa Monica, CA 90404 (the "**Company**").

The undersigned purchaser ("**Purchaser**" or "**Investor"**) hereby subscribes to purchase the number of Shares set forth in Section 1(a) below.

1. ***Subscription***.

(a) *Shares Subscription.* Subject to the acceptance hereof by an authorized representative of the Company, the Purchaser hereby subscribes for _____ (_____) Shares at a price of $2.00 per share, for an investment amount of _____ ($_____) (the "**Cash Consideration**").

(b) *Cash Consideration.* The Purchaser agrees that payment of the Cash Consideration shall be made on the date of acceptance of this Subscription Agreement by an authorized representative or a member of the Company either (i) via check made payable to "Nth Games, Inc.", or (ii) preferably via wire transfer as follows:

Wells Fargo Bank, N.A.
11836 San Vicente Blvd.
Los Angeles, CA 90049
Routing Number: 121000248
Account Number: 6158312352
Account Name: Nth Games, Inc.

2. ***Representations and Warranties***. The Purchaser hereby represents and warrants that:

(a) *Information.* The Purchaser has received and reviewed a copy of the Certificate of Incorporation and powerpoint presentation of the Company. In making the decision to purchase the Shares, the Purchaser has relied on an independent investigation made by the Purchaser and/or on the advice given to the Purchaser by the Purchaser's own counsel, accountant or other advisers and **HAS NOT RELIED** upon any projections or other information, oral or written (other than contained in the Certificate of Incorporation and powerpoint presentation) that may have been provided to the Purchaser by anyone. The Purchaser further represents that the Purchaser and his, her or its advisors have had the opportunity to ask questions and receive answers concerning the terms and conditions of the offering of the Shares and to obtain any additional information necessary to evaluate this investment and to verify the accuracy of the information otherwise furnished to the Purchaser and his or her advisers.

(b) *Distribution*. The Purchaser has not reproduced or distributed this Agreement or the Certificate of Incorporation to any person other than the Purchaser's counsel, accountant or other adviser.

(c) *Registration or Qualification*. The Purchaser is aware that the Shares have not been registered under the Securities Act of 1933, as amended (the "**Act**"), or qualified under any other securities law or regulation.

(d) *Own Account*. The Purchaser is acquiring the Shares solely for the Purchaser's own account and not for the account of any other person, for investment only, and not with a view to resale, assignment or distribution.

(e) *Economic Risk*. The Purchaser is able to bear the economic risk of this investment, can afford to hold the Shares for an indefinite period and can afford a complete loss of the investment.

(f) *Appropriate Risks*. The Purchaser has evaluated the risks of investing in the Company in light of the foregoing and is satisfied that the investment is appropriate for the Purchaser.

(g) *Information True*. All information which the Purchaser has provided to the Company concerning the Purchaser, his, her or its financial position, his, her or its status as an accredited investor, his, her or its knowledge of financial and business matters, all statements and representations as contained herein are correct and complete and if there should be any material change in such information prior to this subscription being accepted, the Purchaser will immediately provide the Company with such information.

(h) *Restricted Securities*. The Purchaser understands that the Shares are characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired in a transaction not involving a public offering and that under such laws and applicable regulations the Shares may be resold without registration under the Act only in certain limited circumstances and that otherwise the Shares must be held indefinitely. In this connection, the Purchaser represents that he/she is familiar with Securities and Exchange Commission Rule 144, as presently in effect, and the conditions which must be met in order for that Rule to be available for resale of "restricted securities", and understands that resale limitations are imposed by the Act.

(i) *Disposition.* Without in any way limiting the representations set forth above, the Purchaser agrees not to make any disposition of all or any portion of the Shares unless and until:

(x) there is then in effect a registration statement under the Act covering such proposed disposition and such disposition is made in accordance with such registration statement and any applicable requirements of state securities laws; or

(y) (1) the Purchaser shall have notified the Company of the proposed disposition and shall have furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition; and (2) the Purchaser shall have furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, that such disposition will not require registration of such Shares under the Act or the consent of or permission from appropriate authorities under any applicable state securities law.

(j) *Legends*. It is understood that the certificate evidencing the Shares may bear the following legends:

**THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED OR PLEDGED IN THE ABSENCE OF SUCH REGISTRATION UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL REASONABLY ACCEPTABLE TO THE COMPANY STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT, IF ANY, COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE COMPANY AT THE PRINCIPAL EXECUTIVE OFFICES OF THE COMPANY.**.

(k) *Accredited Investor*. The undersigned purchaser is an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act. The Purchaser is an investor in securities of companies in the development stage and acknowledges that he, she or it is able to fend for itself, can bear the economic risk of its investment, and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in the Shares. If other than an individual, the Purchaser also represents it has not been organized for the purpose of acquiring the Shares.

(x) Purchaser Suitability. The Purchaser represents and warrants that the Purchaser comes within one or more of the categories marked below, and that for any category marked the Purchaser has truthfully set forth the factual basis or reason the Investor comes within that category. ALL INFORMATION IN RESPONSE TO THIS SECTION WILL BE KEPT STRICTLY CONFIDENTIAL, EXCEPT FOR DISCLOSURES TO FEDERAL OR STATE REGULATORY AUTHORITIES. The Purchaser agrees to furnish any additional information that the Company deems necessary in order to verify the answers set forth below.

Category I — The Purchaser is an individual (not a partnership, corporation, etc.) whose individual net worth, or joint net worth with the Purchaser's spouse, presently exceeds $1,000,000, exclusive of the Purchaser's primary residence. In the calculation of net worth (the amount of assets in excess of liabilities):

- The Purchaser may include equity in personal property and real estate, expressly excluding the Investor's principal residence, cash, short-term investments, stocks and securities. Equity in personal property and real estate should be based on the fair market value of such property less debt secured by such property.
- The amount of debt secured by the primary residence, up to its estimated fair market value, is not included as a liability, unless the person incurred debt within 60 days before buying securities in the unregistered offering for the purpose of buying those securities and not for buying the residence. In that situation, the amount of debt borrowed during that 60-day period must be included as a liability.
- Any debt secured by the primary residence in excess of the estimated fair market value of the home is included as a liability.

Category II — The Purchaser is an individual (not a partnership, corporation, etc.) who had an individual income in excess of $200,000 in 2012 and 2013, or joint income with his/her spouse in excess of $300,000 in 2012 and 2013, and has a reasonable expectation of reaching that income level in 2014.

Category III — The Purchaser is a bank, savings and loan, insurance company; registered broker or dealer, registered investment company; registered business development company; licensed small business investment company; or employee benefit plan within the meaning of Title I of ERISA whose plan fiduciary is either a bank, savings and loan, insurance company or registered investment advisor or whose total assets exceed $5,000,000.

_____
(describe entity)

| | |
|---|---|
| Category IV | The Purchaser is a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940.<br><br>_____<br>(describe entity) |
| Category V | The Purchaser is a non-profit organization within the meaning of Section 501(c)(3) of the Internal Revenue Code, corporation, business trust, or partnership, not formed for the purpose of acquiring the securities offered, with total assets in excess of $5,000,000.<br><br>_____<br>(describe entity) |
| Category VI | The Purchaser is a trustee for a trust that is revocable by the grantor at any time (including an IRA) and the grantor qualified under either Category I or Category II above. A copy of the declaration of trust or trust agreement and a representation as to the net worth or income of the grantor is enclosed. |
| Category VII | The Purchaser is an entity all the equity owners of which are "accredited investors" within one or more of the above categories, other than Category IV or Category V. **If relying upon this category alone, each equity owner must complete a separate copy of this Agreement.** |

**The Purchaser should check the Office of Foreign Assets Control ("OFAC") website at www.treas.gov/ofac before making the following representations in subsections (l), (m) and (n) below:**

(l) The Purchaser represents that the amount invested in the Company is not directly or indirectly derived from activities that contravene federal, state or international laws and regulations, including anti-money laundering laws and regulations. Federal regulations and Executive Orders administered by OFAC prohibit, among other things, the engagement in transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. The lists of OFAC prohibited countries, territories, persons and entities can be found on the OFAC website at www.treas.gov/ofac. In addition, the programs administered by OFAC (the "**OFAC Programs**") prohibit dealing with individuals or entities in certain countries regardless of whether such individuals or entities appear on the OFAC lists;

(m) To the best of the Purchaser's knowledge, neither the Purchaser nor any person controlled by the Purchaser is an individual or entity named on an OFAC list, or a person or entity prohibited under the OFAC Programs. Please be advised that the Company may not accept any amounts from a prospective investor if such prospective investor cannot make the representation set forth in the preceding sentence. The Purchaser agrees to promptly notify the Company should the Purchaser become aware of any change in the information set forth in these representations. The Purchaser understands and acknowledges that, by law, the Company may be obligated to "freeze the account" of the Purchaser, by declining any redemption requests and/or segregating the assets in the account in compliance with governmental regulations. The Purchaser further acknowledges that the Company may, by written notice to the Purchaser, suspend the redemption rights, if any, of the Purchaser if the Company reasonably deems it necessary to do so to comply with anti-money laundering regulations applicable to the Company or any of the Company's service providers; and

(n) To the best of the Purchaser's knowledge, neither the Purchaser nor any person controlling the Purchaser is a senior foreign political figure, or any immediate family member or close associate of a senior foreign political figure, as such terms are defined in the footnotes hereto.

(o) *Disqualification*. The Purchaser represents that neither such Purchaser, nor any person or entity with whom such Purchaser shares beneficial ownership of any Securities, is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act of 1933, as amended.

3. ***Indemnification***. The undersigned Purchaser agrees to indemnify, defend and hold harmless members of the Board of Directors, the Company and each of its officers, members, employees, affiliates, anyone acting on behalf of the Company or the Board of Directors and any person who controls any of them (each an "**Indemnified Party**"), from and against all damages, losses, costs and expenses (including without limitation any and all expenses whatsoever reasonably incurred in investigating, preparing or defending against any litigation commenced or threatened or any claim whatsoever), including without limitation reasonable attorneys' fees and expenses, which an Indemnified Party may incur arising out of or based upon any false representation or warranty of the undersigned or breach by the undersigned or the failure of the undersigned to fulfill any of the terms and conditions of this Subscription Agreement or any other document furnished by the undersigned to any Indemnified Party in connection with the undersigned's purchase of the Shares.

4. ***Independence of Obligations***. The undersigned agrees that its, his or her obligations hereunder shall not be contingent upon or affected by the similar undertakings of any other investor under its subscription agreement and that the Company may proceed to enforce this Agreement without also proceeding to enforce any other investor's subscription agreement.

5. ***Notice.*** All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or: (a) personal delivery to the party to be notified, (b) when sent, if sent by facsimile or email during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) business day after deposit with a nationally recognized overnight courier, freight prepaid, specifying next business day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their address as set forth on the signature page, or to such address or facsimile number as subsequently modified by written notice given in accordance with this Agreement. If notice is given to the Company, it shall be sent to the address listed in the preamble hereto.

***With respect to any notice given by the Company under any provision of the Delaware General Corporation Law or the Company's certificate of incorporation or bylaws (as they may be amended), Purchaser agrees that such notice may be given by facsimile or by electronic mail or by any other electronic transmission authorized under the Delaware General Corporate Law.***

6. Residency. My state of residence, the state I received the offer to invest, and the state I made the decision to invest in the Shares is: _____.

7. Ownership of Securities. The Shares shall be issued in the following manner: Place an "X" in one space below:

(a) ____ Individual Ownership

(b) ____ Community Property

(c) ____ Joint Tenant with Right of Survivorship (both parties must sign)

(d) ____ Trust

(e) ____ Corporation

(f) ____ Limited Liability Company

(g) ____ Other

8. Registration of the Securities. The Shares subscribed for herein should be registered as follows:

_____

Please print above the exact name(s) in which the Securities are to be held.

[SIGNATURE PAGE FOLLOWS]

**SIGNATURE**

The Purchaser hereby represents that he/she/it has read the entire Subscription Agreement and by their signature below agrees to the terms hereof.

Date: _____

By: _____

Name: _____

Title (if applicable): _____

Address to Which Correspondence Should Be Directed:

_____
Street Address

_____
City, State and Zip Code

_____
Social Security Number

_____
Telephone Number

_____
Email Address

**ACCEPTANCE**

The subscription for the Shares is hereby accepted by Nth Games, Inc., a Delaware corporation, as of the date set forth below.

**NTH GAMES, INC.**

By: _____
David Steigelfest
President

Date: _____

**Exhibit 10.4**

**SUBSCRIPTION AGREEMENT**

This Subscription Agreement (the "**Agreement**") relates to the Series B round private placement of Super League Gaming, Inc., a Delaware corporation, with a principal place of business located at 2912 Colorado Ave., Suite 200, Santa Monica, CA 90404 (the " **Company**"), consisting of up to One Million Six Hundred Sixty-Six Thousand Six Hundred Sixty-Six (1,666,666) shares of common stock, at a price of $3.00 USD per share (the "**Shares**"), for a total offering of Five Million Dollars ($5,000,000 USD)(the "**Offering**").

The undersigned purchaser ("**Purchaser**" or "**Investor"**) hereby subscribes to purchase the number of Shares set forth in Section 1(a) below.

1. ***Subscription***.

(a) *Shares Subscription.* Subject to the acceptance hereof by an authorized representative of the Company, the Purchaser hereby subscribes for _____ (_____) Shares at a price of $3.00 USD per share, for an investment of _____ ($_____) (the "**Cash Consideration**").

(b) *Cash Consideration.* The Purchaser agrees that payment of the Cash Consideration shall be made on the date of acceptance of this Subscription Agreement by an authorized representative or a member of the Company either (i) via check made payable to "Super League Gaming, Inc.", or (ii) preferably via wire transfer as follows:

Wells Fargo Bank, N.A.
11836 San Vicente Blvd.
Los Angeles, CA 90049
Routing Number: 121000248
Account Number: 6158312352
Account Name: Super League Gaming, Inc.

2. ***Representations and Warranties***. The Purchaser hereby represents and warrants that:

(a) *Information*. In making the decision to purchase the Shares, the Purchaser has relied on an independent investigation made by the Purchaser and/or on the advice given to the Purchaser by the Purchaser's own counsel, accountant or other advisers. The Purchaser further represents that the Purchaser and his, her or its advisors have had the opportunity to ask questions and receive answers concerning the terms and conditions of the offering of the Shares and to obtain any additional information necessary to evaluate this investment and to verify the accuracy of the information otherwise furnished to the Purchaser and his or her advisers.

(b) *Distribution*. The Purchaser has not reproduced or distributed this Agreement to any person other than the Purchaser's counsel, accountant or other adviser.

(c) *Registration or Qualification*. The Purchaser is aware that the Shares have not been registered under the Securities Act of 1933, as amended (the "**Act**"), or qualified under any other securities law or regulation.

(d) *Own Account*. The Purchaser is acquiring the Shares solely for the Purchaser's own account and not for the account of any other person, for investment only, and not with a view to resale, assignment or distribution.

(e) *Economic Risk*. The Purchaser is able to bear the economic risk of this investment, can afford to hold the Shares for an indefinite period and can afford a complete loss of the investment.

(f) *Appropriate Risks*. The Purchaser has evaluated the risks of investing in the Company in light of the foregoing and is satisfied that the investment is appropriate for the Purchaser.

(g) *Information True*. All information which the Purchaser has provided to the Company concerning the Purchaser, his, her or its financial position, his, her or its status as an accredited investor, his, her or its knowledge of financial and business matters, all statements and representations as contained herein are correct and complete and if there should be any material change in such information prior to this subscription being accepted, the Purchaser will immediately provide the Company with such information.

(h) *Restricted Securities*. The Purchaser understands that the Shares are characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired in a transaction not involving a public offering and that under such laws and applicable regulations the Shares may be resold without registration under the Act only in certain limited circumstances and that otherwise the Shares must be held indefinitely. In this connection, the Purchaser represents that he/she is familiar with Securities and Exchange Commission Rule 144, as presently in effect, and the conditions which must be met in order for that Rule to be available for resale of "restricted securities", and understands that resale limitations are imposed by the Act.

(i) *Disposition.* Without in any way limiting the representations set forth above, the Purchaser agrees not to make any disposition of all or any portion of the Shares unless and until:

(x) there is then in effect a registration statement under the Act covering such proposed disposition and such disposition is made in accordance with such registration statement and any applicable requirements of state securities laws; or

(y) (1) the Purchaser shall have notified the Company of the proposed disposition and shall have furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition; and (2) the Purchaser shall have furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, that such disposition will not require registration of such Shares under the Act or the consent of or permission from appropriate authorities under any applicable state securities law.

(j) *Legends*. It is understood that the certificate evidencing the Shares may bear the following legends:

**THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED OR PLEDGED IN THE ABSENCE OF SUCH REGISTRATION UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL REASONABLY ACCEPTABLE TO THE COMPANY STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT, IF ANY, COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE COMPANY AT THE PRINCIPAL EXECUTIVE OFFICES OF THE COMPANY.**

(k) *Accredited Investor*. The undersigned purchaser is an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act. The Purchaser is an investor in securities of companies in the development stage and acknowledges that he, she or it is able to fend for itself, can bear the economic risk of its investment, and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in the Shares. If other than an individual, the Purchaser also represents it has not been organized for the purpose of acquiring the Shares.

(x) Purchaser Suitability. The Purchaser represents and warrants that the Purchaser comes within one or more of the categories marked below, and that for any category marked the Purchaser has truthfully set forth the factual basis or reason the Investor comes within that category. ALL INFORMATION IN RESPONSE TO THIS SECTION WILL BE KEPT STRICTLY CONFIDENTIAL, EXCEPT FOR DISCLOSURES TO FEDERAL OR STATE REGULATORY AUTHORITIES. The Purchaser agrees to furnish any additional information that the Company deems necessary in order to verify the answers set forth below.

Category I — The Purchaser is an individual (not a partnership, corporation, etc.) whose individual net worth, or joint net worth with the Purchaser's spouse, presently exceeds $1,000,000, exclusive of the Purchaser's primary residence. In the calculation of net worth (the amount of assets in excess of liabilities):

- The Purchaser may include equity in personal property and real estate, expressly excluding the Investor's principal residence, cash, short-term investments, stocks and securities. Equity in personal property and real estate should be based on the fair market value of such property less debt secured by such property.
- The amount of debt secured by the primary residence, up to its estimated fair market value, is not included as a liability, unless the person incurred debt within 60 days before buying securities in the unregistered offering for the purpose of buying those securities and not for buying the residence. In that situation, the amount of debt borrowed during that 60-day period must be included as a liability.
- Any debt secured by the primary residence in excess of the estimated fair market value of the home is included as a liability.

Category II — The Purchaser is an individual (not a partnership, corporation, etc.) who had an individual income in excess of $200,000 in 2013 and 2014, or joint income with his/her spouse in excess of $300,000 in 2013 and 2014, and has a reasonable expectation of reaching that income level in 2015.

| | |
|---|---|
| Category III | The Purchaser is a bank, savings and loan, insurance company; registered broker or dealer, registered investment company; registered business development company; licensed small business investment company; or employee benefit plan within the meaning of Title I of ERISA whose plan fiduciary is either a bank, savings and loan, insurance company or registered investment advisor or whose total assets exceed $5,000,000.<br>_____<br>(describe entity) |
| Category IV | The Purchaser is a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940.<br>_____<br>(describe entity) |
| Category V | The Purchaser is a non-profit organization within the meaning of Section 501(c)(3) of the Internal Revenue Code, corporation, business trust, or partnership, not formed for the purpose of acquiring the securities offered, with total assets in excess of $5,000,000.<br>_____<br>(describe entity) |
| Category VI | The Purchaser is a trustee for a trust that is revocable by the grantor at any time (including an IRA) and the grantor qualified under either Category I or Category II above. A copy of the declaration of trust or trust agreement and a representation as to the net worth or income of the grantor is enclosed. |
| Category VII | The Purchaser is an entity all the equity owners of which are "accredited investors" within one or more of the above categories, other than Category IV or Category V. **If relying upon this category alone, each equity owner must complete a separate copy of this Agreement.** |

**The Purchaser should check the Office of Foreign Assets Control ("OFAC") website at www.treas.gov/ofac before making the following representations in subsections (l), (m) and (n) below:**

(l) The Purchaser represents that the amount invested in the Company is not directly or indirectly derived from activities that contravene federal, state or international laws and regulations, including anti-money laundering laws and regulations. Federal regulations and Executive Orders administered by OFAC prohibit, among other things, the engagement in transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. The lists of OFAC prohibited countries, territories, persons and entities can be found on the OFAC website at www.treas.gov/ofac. In addition, the programs administered by OFAC (the "**OFAC Programs**") prohibit dealing with individuals or entities in certain countries regardless of whether such individuals or entities appear on the OFAC lists;

(m) To the best of the Purchaser's knowledge, neither the Purchaser nor any person controlled by the Purchaser is an individual or entity named on an OFAC list, or a person or entity prohibited under the OFAC Programs. Please be advised that the Company may not accept any amounts from a prospective investor if such prospective investor cannot make the representation set forth in the preceding sentence. The Purchaser agrees to promptly notify the Company should the Purchaser become aware of any change in the information set forth in these representations. The Purchaser understands and acknowledges that, by law, the Company may be obligated to "freeze the account" of the Purchaser, by declining any redemption requests and/or segregating the assets in the account in compliance with governmental regulations. The Purchaser further acknowledges that the Company may, by written notice to the Purchaser, suspend the redemption rights, if any, of the Purchaser if the Company reasonably deems it necessary to do so to comply with anti-money laundering regulations applicable to the Company or any of the Company's service providers; and

(n) To the best of the Purchaser's knowledge, neither the Purchaser nor any person controlling the Purchaser is a senior foreign political figure, or any immediate family member or close associate of a senior foreign political figure, as such terms are defined in the footnotes hereto.

(o) *Disqualification*. The Purchaser represents that neither such Purchaser, nor any person or entity with whom such Purchaser shares beneficial ownership of any Securities, is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act of 1933, as amended.

3. ***Indemnification***. The undersigned Purchaser agrees to indemnify, defend and hold harmless members of the Board of Directors, the Company and each of its officers, members, employees, affiliates, anyone acting on behalf of the Company or the Board of Directors and any person who controls any of them (each an "**Indemnified Party**"), from and against all damages, losses, costs and expenses (including without limitation any and all expenses whatsoever reasonably incurred in investigating, preparing or defending against any litigation commenced or threatened or any claim whatsoever), including without limitation reasonable attorneys' fees and expenses, which an Indemnified Party may incur arising out of or based upon any false representation or warranty of the undersigned or breach by the undersigned or the failure of the undersigned to fulfill any of the terms and conditions of this Subscription Agreement or any other document furnished by the undersigned to any Indemnified Party in connection with the undersigned's purchase of the Shares.

4. ***Independence of Obligations***. The undersigned agrees that its, his or her obligations hereunder shall not be contingent upon or affected by the similar undertakings of any other investor under its subscription agreement and that the Company may proceed to enforce this Agreement without also proceeding to enforce any other investor's subscription agreement.

5. ***Notice.*** All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or: (a) personal delivery to the party to be notified, (b) when sent, if sent by facsimile or email during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) business day after deposit with a nationally recognized overnight courier, freight prepaid, specifying next business day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their address as set forth on the signature page, or to such address or facsimile number as subsequently modified by written notice given in accordance with this Agreement. If notice is given to the Company, it shall be sent to the address listed in the preamble hereto.

***With respect to any notice given by the Company under any provision of the Delaware General Corporation Law or the Company's certificate of incorporation or bylaws (as they may be amended), Purchaser agrees that such notice may be given by facsimile or by electronic mail or by any other electronic transmission authorized under the Delaware General Corporate Law.***

6. Pro-Rata Rights in Future Financings. Investors shall have the right to participate in future equity financings of the Company to maintain their respective ownership in the Company that exists upon the close of the Offering ("Pro-Rata Rights"). The Pro-Rata Rights shall conclude immediately prior to an initial public offering of the Company.

7. Residency; Domicile. The state of residence or domiciliary in the case of an entity, and the state in which the decision to invest was made:

_____

8. Registration of the Securities. The Shares subscribed for herein should be registered as follows:

_____

Please print above the exact name(s) in which the Securities are to be held.

[SIGNATURE PAGE FOLLOWS]

**SIGNATURE**

The Purchaser hereby represents that he/she/it has read the entire Subscription Agreement and by their signature below agrees to the terms hereof.

Date: _____

By: _____

Name: _____

Title (if applicable): _____

Telephone Number _____

Email Address _____

Address to Which Correspondence Should Be Directed:

_____
Street Address

_____
City, State and Zip Code

_____
Social Security Number

**ACCEPTANCE**

The subscription for the Shares is hereby accepted by Super League Gaming, Inc., a Delaware corporation, as of the date set forth below.

**SUPER LEAGUE GAMING, INC.**

By: _____
Ann Hand
Chief Executive Officer

Date: _____

**Exhibit 10.5**

**THEATER AGREEMENT**

This Agreement ("Agreement") is entered into is effective as of the final date of execution hereof (the "Effective Date"), by and between _____, on the one hand, and Super League Gaming, Inc., a Delaware corporation ("SLG"), on the other hand. _____ and SLG are collectively referred to herein as the "Parties".

**RECITALS**

WHEREAS, Super League Gaming ("SLG"), has developed a revolutionary social gaming league experience that utilizes a proprietary technology platform enabling gamers and spectators to experience League of Legends in a multi-player format, Minecraft in a single-player and multi-player format, as well as other esports games (in single player and multi-player format) added by SLG in the future;

WHEREAS, _____ desires to retain SLG on the terms outlined hereinbelow; and

WHEREAS, SLG desires to provide _____ on the terms outlined hereinbelow.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth hereinabove, the receipt and sufficiency of which is hereby mutually acknowledged, the Parties hereby agree as follows:

1 . **SLG Events**. _____ and SLG agree that SLG events will commence on the dates, times, and at the locations mutually agreed upon in a separate writing (all SLG events are collectively referred to herein as the "SLG Events"). All scheduling of SLG Events shall be set forth in separate addendums hereto and mutually agreed upon by the Parties.

2. **Obligations of _____**. _____ shall have the following obligations:

(a) **Theater Seating Requirement**. The selection of the auditoriums in which SLG Events are held shall be made collaboratively by the Parties to ensure a first-class experience for the gaming participants.

(b) **In-Theater Marketing**. _____ shall market the SLG Events to its customers at least fourteen (14) days prior to each event, consisting of the following: (i) _____ shall send at least one SLG-dedicated email to its customer and loyalty program email list, geo-targeted to participating theaters; (ii) _____ shall exhibit at least two (2) SLG or _____ designed (subject to SLG approval to maintain compliance with game publisher requirements) posters in each of its participating theater lobbies; and (iii) _____ shall promote SLG on its social platforms (e.g., Facebook, Twitter, Instagram and others) that reference the participating theaters.

(c) **Installation and Set-Up**. _____ shall provide all personnel required for the installation and testing of the SLG software and hardware in each auditorium in which SLG Events will be held. SLG personnel and/or contractors will orchestrate the installation in collaboration with _____ management as well as the applicable staff at the participating theaters. Further, _____ shall schedule an appropriate time for the foregoing to occur with theater-level contacts at least ten (10) days prior to the initial SLG Event.

(d) **Dedicated Theater Staff**. For all SLG Events, _____ agrees to provide one (1) dedicated staff member during SLG Events. SLG will provide a brief training manual for the dedicated staff member(s) to review in advance of the initial SLG Event.

(e) **Technical Operations Support Availability**. For all SLG Events, _____ agrees to provide a specific technical operations support personnel (on-site and remotely) to address any _____ technology issues which arise prior to or during SLG Events (e.g., power, projector or other issues). _____ shall provide contact information for the remote (high level manager) and on-site technical support individuals (i.e., phone and email) for rapid intervention to address all issues.

3. **Obligations of SLG**.

a. **Ticket Sales; Reporting**. All SLG Event ticket sales shall be made via the SLG ticketing website and will be the sole responsibility of SLG. SLG shall provide _____ with daily ticket reports (provided for the prior business day) during each period when ticket sales are ongoing for SLG Events at _____.

b. **Software and Hardware**. SLG shall be solely responsible for providing all technology to be utilized for SLG Events at participating theaters, including, among other things, all web systems, player profiles, leaderboards, and in-theater experience, all of which shall utilize SLG's hardware and proprietary software.

c. **Installation & Testing**. SLG shall provide written documentation to _____ to be utilized by its staff relating to the installation of SLG's software and hardware in the auditoriums in which SLG Events will be held. Prior to the initial event in each of the applicable auditoriums, SLG shall confirm with _____ that all software and hardware is in good working order.

d. **Maintenance**. SLG shall be solely responsible for any maintenance that may be required on the SLG hardware, as well as any software upgrades, patches or otherwise, that may be required.

e. **Marketing**. SLG will generate market demand for SLG Events through a combination of means, including its game publisher partners, emails to its existing registered player database, and social media channels, among others.

f. **Dedicated On-Site SLG Personnel**. SLG shall provide at least one (1) dedicated SLG personnel at participating theaters during each SLG Event to assist participants as well as _____ staff.

g. **Operations Manual**. SLG shall provide _____ with an Operations Manual that addresses installation procedures as well as event operations, among other things. The Operations Manual shall be used by _____ staff at all times to ensure a best-in-class experience for gaming participants and efficient operations at SLG Events.

4. **Revenue Split; Payment Terms**. Ticket sales from SLG Events will be allocated as follows: (i) Adjusted Gross Revenue (as defined below) will be split ___% in favor of SLG and ___% in favor of _____. Adjusted Gross Revenue is defined as (a) gross ticket sales, less discounts comps and promotions, from SLG Events, less (b) sales tax, less (c) ___% of gross ticket sales consisting of a stripe, technology, intellectual property license, bandwidth and maintenance fee. SLG shall be solely responsible for payment of all game publisher license fees which consist of up to ___% of SLG's portion of Adjusted Gross Revenue.

a. **Payment Terms**. During the Term, SLG shall pay _____ **net 30** from (i) the final day of each calendar month for all SLG Event revenue realized by SLG for the prior month at _____ pursuant to U.S. generally accepted accounting principles ("GAAP"). For clarity purposes, SLG recognizes revenues from multi-week leagues on the following basis: (i) ticket revenues for each SLG multi-week league are divided by the number of weeks of league play, the product of which is recognized in the month that the event occurs. Thus, multi-week leagues that occur over a two-month period will be paid in two (2) monthly tranches. Payments shall be made to _____ via electronic transfer to the bank account designated by _____ in writing or via check. SLG shall include a written report with each monthly payment.

5. **Ownership of Software & Hardware**. For the avoidance of doubt, all SLG software and hardware utilized in conjunction with the SLG Events shall be the exclusive property of SLG. No ownership to the foregoing is provided under this Agreement. The SLG software and hardware may only be utilized in connection with the SLG Events or as otherwise mutually agreed upon in writing. Further, _____ staff shall not unplug the HDMI or other cabling connecting the SLG hardware to the projectors located in the auditoriums holding SLG events without the express prior written consent of SLG.

6. **Bandwidth Installation Rights.** SLG shall have the right to install, in at least one (1) theater location per city where SLG Events are offered at _____ (which cities shall be mutually agreed upon by the Parties), broadband Internet access which may consist of fiber, DSL, cable or any other broadband Internet alternative of SLG's choosing (collectively, the "Bandwidth"). SLG shall be solely responsible for all bandwidth costs. In consideration thereof, SLG shall have the exclusive right to share access of the Bandwidth with _____ for SLG Events as well as "League of Legends watch events" and other content as mutually agreed upon by the Parties.

7. **Trademark Usage**. SLG shall have the right hereunder to utilize the trademark(s) of _____ during the Term in conformity with _____'s trademark usage guidelines. The _____ trademark(s) will be utilized solely by SLG in conjunction with the promotion of Super League Gaming, including all SLG Events.

8. **Term; Exclusivity**. The Agreement shall have a term of ____ (__) years ("Term"), and shall automatically renew for successive one (1) year periods unless terminated in writing no less than ninety (90) days prior to the conclusion of the then existing term.

a. **Exclusivity**. SLG will incur hardware and installation expenses in excess of $_____ USD for each _____ auditorium which hosts SLG Events. The foregoing costs will be the sole responsibility of SLG in exchange for SLG being the exclusive provider of any and all multi-player, participatory gaming at _____ during the Term.

9. **Representation and Warranties; Indemnification**. SLG represents, warrants and covenants that (i) the software to be utilized with respect to the SLG Events is of original development by SLG, (ii) SLG is the owner of the software and hardware, (iii) SLG has the unfettered right to utilize it in connection with the SLG Events, (iv) the SLG software and hardware is free and clear of any liens, claims and encumbrances, and (v) the SLG software and hardware shall not damage any of _____'s software or hardware or result in a loss of information. SLG will indemnify, defend and hold _____ and its affiliates, employees, agents, officers, and directors (collectively, "_____ Indemnified Parties") harmless, at SLG's expense, from any claims, demands, actions, suits, damages, losses, liabilities, costs or expenses of any nature, including, without limitation, reasonable attorneys' fees, incurred by _____ Indemnified Parties as a result of any breach of this Agreement by SLG or any of the representations or warranties contained in this Section 9, including but not limited to claims of infringement or misappropriation. In the event of an infringement claim, SLG shall have no obligation pursuant to this Section 9 to the extent the claim is caused by the modification of the software or hardware by _____, its employees, contractors or agents. If the unmodified software or hardware becomes, or in SLG's opinion is likely to become, the subject of a claim of infringement or misappropriation, SLG shall, at its option and expense, promptly either: (i) modify or replace the software and/or hardware, as the case may be, to be non-infringing while giving equivalent performance and functionality, or (ii) obtain for _____ the right to continue using the software and/or hardware, as the case may be, under terms substantially similar to those then in effect under this Agreement.

a. **Conditions**. In the event a party seeks indemnity as provided in this Section 9, the indemnified party will: (i) notify the indemnifying party in writing promptly of a claim (provided that failure to provide such notice will not relieve the indemnifying party of its obligations under this Section 9 except to the extent such failure materially prejudices the indemnifying party's ability to defend or settle such claim); and, (ii) grant the indemnifying party the sole control of the settlement, compromise, negotiation, and defense of any such action, except that the indemnifying party shall not enter into any settlement that affects the indemnified party's rights or interests without the indemnified party's prior written consent; and (iii) provide the indemnifying party with all reasonably available information relating to the action that is reasonably requested by the indemnifying party. The Parties agree to cooperate in good faith in the defense of any legal action or suit that causes one party to invoke its indemnification rights under this Section 9.

10. **Disclaimer of Warranties.** EXCEPT AS OTHERWISE EXPRESSLY WARRANTED IN THIS AGREEMENT, SLG DISCLAIMS ALL WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR ANY WARRANTIES ARISING FROM COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE OF TRADE. _____ HEREBY ACKNOWLEDGES AND AGREES THAT IN EACH JURISDICTION IN WHICH ANY SUCH DISCLAIMER IS UNENFORCEABLE, THE DURATION OF ANY SUCH IMPLIED SOFTWARE PERFORMANCE WARRANTIES IS LIMITED TO THIRTY (30) DAYS FROM THE DELIVERY DATE OF THE SOFTWARE AND HARDWARE; PROVIDED, HOWEVER, THAT THE SOLE REMEDY OF _____ FOR BREACH OF ANY SUCH IMPLIED SOFTWARE AND HARDWARE PERFORMANCE WARRANTY SHALL BE THAT SLG WILL, AT ITS OPTION, REPAIR OR REPLACE THE SOFTWARE AND HARDWARE TO BE UTILIZED IN CONJUNCTION WITH THE SLG EVENTS.

11. **Limitation of Liability**. EXCEPT FOR ANY CLAIMS ARISING UNDER SECTIONS 9 (INDEMNIFICATION), OR 12(d) (CONFIDENTIAL INFORMATION), OR WHICH ARE BASED UPON GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT, REGARDLESS OF WHETHER ANY REMEDY SET FORTH HEREIN FAILS OF ITS ESSENTIAL PURPOSE OR OTHERWISE, TO THE EXTENT PERMITTED BY THE LAW OF THE JURSIDICTION IN WHICH THIS AGREEMENT IS ENTERED INTO: (A) THE PARTIES WILL NOT BE LIABLE TO ONE ANOTHER FOR ANY INDIRECT, EXEMPLARY, SPECIAL, CONSEQUENTIAL, OR INCIDENTAL DAMAGES OF ANY CHARACTER, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR COMPUTER MALFUNCTION, LOSS OF INFORMATION, LOST PROFITS AND BUSINESS INTERRUPTION, AND THE COST TO OBTAIN SUBSTITUTE SOFTWARE OR HARDWARE, ARISING IN ANY WAY OUT OF THIS AGREEMENT OR THE USE OF (OR INABILITY TO USE) THE SOFTWARE OR HARDWARE FOR SLG EVENTS, HOWEVER CAUSED, AND WHETHER ARISING UNDER A THEORY OF CONTRACT, TORT OR ANY OTHER LEGAL THEORY, EVEN IF ONE OF THE PARTIES WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND (B) IN NO EVENT WILL EITHER PARTY'S LIABILITY TO THE OTHER EXCEED THE COLLECTIVE SUM OF THE ADJUSTED GROSS REVENUE. SOME STATES OR JURISDICTIONS DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES, SO THE ABOVE LIMITATIONS MAY NOT APPLY; PROVIDED, HOWEVER, THE PARTIES ARE ENTERING INTO THIS AGREEMENT ON THE EXPRESS CONDITION THAT EACH OF THEM AGREES TO THE "DISCLAIMER OF WARRANTIES" AND "LIMITATION OF LIABILITY" PROVISIONS HEREIN.

12. **General Provisions**.

(a) **Assignment**. Neither party may assign this Agreement, in whole or in part, without prior written notice to the other, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, either party may assign this Agreement in the event of a merger, sale of substantially all of the stock, assets or business, or other reorganization involving the assigning party in which the assigning party is not the surviving entity, and the other party's prior written consent shall not be required in such instance. Without limiting the foregoing, this Agreement will bind and inure to the benefit of each party's permitted successors and assigns.

(b) **Waiver, Amendment, Modification**. No waiver, amendment or modification, including by custom, usage of trade, or course of dealing, of any provision of this Agreement will be effective unless it is in writing and signed by the party against whom such waiver, amendment or modification is sought to be enforced. No waiver by any party of any default in performance on the part of the other party under this Agreement or of any breach or series of breaches by the other party of any of the terms or conditions of this Agreement will constitute a waiver of any subsequent default in performance under this Agreement or any subsequent breach of any terms or conditions within. Performance of any obligation required of a party under this Agreement may be waived only by a written waiver signed by a duly authorized officer of the other party; such waiver will be effective only with respect to the specific obligation described therein.

(c) **Force Majeure.** Neither party will be deemed in default of this Agreement to the extent that performance of its obligations, or attempts to cure any breach, are delayed or prevented by reason of circumstance beyond its reasonable control, including without limitation fire, natural disaster, earthquake, accidents or other acts of God and which renders their performance impossible ("Force Majeure"), provided that the party seeking to delay its performance gives the other written notice of any such Force Majeure within five (5) days after the discovery, and further provided that such party uses its good faith efforts to cure the Force Majeure. This Section 12(c) will not be applicable to any payment obligations of either party.

(d) **Confidential Information**. Each party acknowledges that it may be furnished with or may otherwise receive or have access to information or material of the other party that the disclosing party deems to be confidential, including, without limitation, the terms and existence of this Agreement, information that relates to past, present or future products, software, hardware, research development, inventions, processes, techniques, designs or technical information, data, and marketing plans (collectively, the "Confidential Information"). Each party agrees to preserve and protect the confidentiality of the other party's Confidential Information and all physical and electronic forms thereof from unauthorized or accidental loss, alteration, destruction or damage, whether disclosed to the other party before this Agreement is signed or afterward. In addition, neither party will use or disclose the Confidential Information of the other party except as specifically required to perform its obligations under this Agreement. The receiving party will disclose Confidential Information of the disclosing party only to those of the receiving party's employees or agents with a "need to know" in connection with the receiving party's performance of its obligations under this Agreement. However, the receiving party may disclose the Confidential Information of the disclosing party to the extent such disclosure is required to comply with applicable law or the valid order or requirement of a governmental or regulatory agency or court of competent jurisdiction, provided that the receiving party (a) first notifies in writing the disclosing party (unless prohibited by law or such order) in such time as to permit the disclosing party to participate in the disclosure response, and reasonably cooperates with the disclosing party to prevent or otherwise restrict such disclosure; (b) restricts such disclosure to the maximum extent legally permissible. The receiving party will promptly notify the disclosing party in writing of any actual or suspected misuse, misappropriation or unauthorized disclosure of Confidential Information by the receiving party which may come to the receiving party's attention. The obligations of each party to protect Confidential Information shall not apply to information which the recipient can demonstrate that: (a) became publicly known through no act or failure of the recipient; (b) was rightfully in the recipient's possession prior to disclosure by the disclosing party without any obligation to hold it in confidence; (c) became rightfully known to the recipient from a third party free to disclose such information without restriction; (d) is approved in writing by the disclosing party for disclosure without restriction; or (e) is disclosed after the termination of the recipient's duty of confidentiality as specified herein.

(e) **Insurance Coverage**. SLG will maintain the following insurance coverage and will name _____ as an additional insured on its General Liability Insurance policy:

(1) **Workers' Compensation Insurance.** Workers' compensation insurance as required by law or regulation; and

( 2 ) **General Liability Insurance.** Commercial general liability coverage with limits of not less than $1,000,000 combined single limit for bodily injury and property damage, including personal injury and death, and contractor's protective liability, and products and completed operations coverage in an amount not less than $2,000,000 in the aggregate.

(f) **Independent Contractor.** Nothing contained in this Agreement will be deemed to place the parties in the relationship of an employer/employee, partners, or joint venturers. Neither party will have any right to obligate or bind the other in any manner except as specifically provided for in this Agreement. Each party agrees and acknowledges that it will not hold itself out as an authorized agent with the power to bind the other party in any manner. Each party will be responsible for any withholding taxes, payroll taxes, disability insurance payments, unemployment taxes, and other similar taxes or charges with respect to its activities in relation to performance of its obligations under this Agreement.

(g) **Cumulative Rights.** Any specific right or remedy provided in this Agreement will not be exclusive, but will be cumulative upon all other rights and remedies set forth in this Agreement and allowed under applicable law.

(h) **Governing Law**. This Agreement will be governed by the laws of the State of California, without regard to its conflicts of law principles.

**(i) Entire Agreement.** The Parties acknowledge that this Agreement expresses their entire understanding and agreement, and that there have been no warranties, representations, covenants or understandings made by either party to the other except such as are expressly set forth in this Agreement. The parties further acknowledge that this Agreement supersedes any and all prior agreements, written or oral, between the parties with respect to the matters set forth herein.

(j) **Counterparts.** This Agreement may be executed in multiple counterparts, any of which will be deemed an original, but all of which will constitute one and the same instrument.

(k) **Severability.** In the event that any provision of this Agreement is found invalid or unenforceable pursuant to judicial decree or decision, the remainder will remain valid and enforceable according to its terms. Without limiting the foregoing, it is expressly understood and agreed that each and every provision of this Agreement that provides for a limitation of liability, disclaimer of warranties, or exclusion of damages is intended by the parties to be severable and independent of any other provision and to be enforced as such. Further, it is expressly understood and agreed that in the event any remedy in this Agreement is determined to have failed of its essential purpose, all other limitations of liability and exclusion of damages set forth herein will remain in full force and effect.

(l) **Notices**. All notices, demands or consents required or permitted in this Agreement will be in writing and will be hand delivered, sent by overnight courier, or mailed certified first-class mail (postage prepaid), return receipt requested to the respective parties at their respective principal business address. Any notice required or permitted to be given by the provisions of this Agreement will be conclusively deemed to have been received on the day it is delivered to that party by U.S. Mail with acknowledgment of receipt or by any commercial courier providing equivalent acknowledgment of receipt.

To SLG:

Super League Gaming, Inc.
2906 Colorado Blvd.
Santa Monica, CA 90404
Attn: General Counsel

To _____:

*[Signature page follows]*

**IN WITNESS WHEREOF**, the Parties have entered into this Agreement as of the Effective Date.

**SUPER LEAGUE GAMING, INC.**

By: Date:
Ann Hand
CEO & President

By: Date:

Name:

Title:

*[Signature page to Agreement]*

94-33-3

# AIR COMMERCIAL REAL ESTATE ASSOCIATION
## STANDARD INDUSTRIAL/COMMERCIAL
## MULTI-TENANT LEASE - GROSS

1. **Basic Provisions ("Basic Provisions").**

1.1 **Parties:** This Lease **("Lease")**, dated for reference purposes only June 1,st 2016, is made by and between Roberts Business Park Santa Monica,LLC, A California Limited Liability Company **("Lessor")** and Super League Gaming Inc. **("Lessee")**, (collectively the **"Parties"**, or individually a **"Party"**).

1.2(a) **Premises:** That certain portion of the Project (as defined below), including all improvements therein or to be provided by Lessor under the terms of this Lease, commonly known by the street address of 2906 Colorado Avenue, located in the City of Santa Monica, County of Los Angeles, State of California, with zip code 90404, as outlined on Exhibit _____ attached hereto **("Premises")** and generally described as (describe briefly the nature of the Premises): An approximate 3,565 sf office/flex space which is part of larger approximate 78,458 sf larger industrial /flex multi-tenant business park.
In addition to Lessee's rights to use and occupy the Premises as hereinafter specified, Lessee shall have non-exclusive rights to any utility raceways of the building containing the Premises **("Building")**and to the Common Areas (as defined in Paragraph 2.7 below), but shall not have any rights to the roof, or exterior walls of the Building or to any other buildings in the Project. The Premises, the Building, the Common Areas, the land upon which they are located, along with all other buildings and improvements thereon, are herein collectively referred to as the **"Project."** (See also Paragraph 2)

1.2(b) **Parking:** ~~five (5)~~ Six (6) unreserved vehicle parking spaces. (See also Paragraph 2.6)

1.3 **Term:** 1 years and 0 months **("Original Term")** commencing June 1,st 2016 **("Commencement Date")** and ending May 31st 2017 **("Expiration Date")**. (See also Paragraph 3)

1.4 **Early Possession:** If the Premises are available Lessee may have non-exclusive possession of the Premises commencing _____ **("Early Possession Date")**. (See also Paragraphs 3.2 and 3.3)

1.5 **Base Rent:** $ 14,260.00 per month **("Base Rent")**, payable on the 1st day of each month commencing June 1st,2016. (See also Paragraph 4)

☐ If this box is checked, there are provisions in this Lease for the Base Rent to be adjusted. See Paragraph _____.

1.6 **Lessee's Share of Common Area Operating Expenses:** 5.89 percent ( 5.89 %) **("Lessee's Share")**. In the event that the size of the Premises and/or the Project are modified during the term of this Lease, Lessor shall recalculate Lessee's Share to reflect such modification.

1.7 **Base Rent and Other Monies Paid Upon Execution:**

(a) **Base Rent:** $ 14,260.00 for the period June 1st,2016-June 30th -2016.

(b) **Common Area Operating Expenses:** $ 214.00 for the period Junelst-June30th2016.

(c) **Security Deposit:** $ 14,260.00 **("Security Deposit")**. (See also Paragraph 5)

(d) **Other:** $ _____ for _____.

(e) **Total Due Upon Execution of this Lease:** $ 28,734.00.

1.8 **Agreed Use:** warehouse space and gaming. (See also Paragraph 6)

1.9 **Insuring Party.** Lessor is the **"Insuring Party"**. (See also Paragraph 8)

1.10 **Real Estate Brokers:** (See also Paragraph 15 and 25)

(a) **Representation:** The following real estate brokers (the **"Brokers"**) and brokerage relationships exist in this transaction (check applicable boxes):

☐ _____ represents Lessor exclusively **("Lessor's Broker")**;

☐ _____ represents Lessee exclusively **("Lessee's Broker")**; or

☐ _____ represents both Lessor and Lessee **("Dual Agency")**.

(b) **Payment to Brokers:** Upon execution and delivery of this Lease by both Parties, Lessor shall pay to the Brokers the brokerage fee agreed to in a separate written agreement (or if there is no such agreement, the sum of _____ or _____% of the total Base Rent) for the brokerage services rendered by the Brokers.

1.11 **Guarantor.** The obligations of the Lessee under this Lease are to be guaranteed by n/a **("Guarantor")**. (See also Paragraph 37)

1.12 **Attachments.** Attached hereto are the following, all of which constitute a part of this Lease:

☐ an Addendum consisting of Paragraphs 50 through _____;
☐ a site plan depicting the Premises;
☐ a site plan depicting the Project;
☐ a current set of the Rules and Regulations for the Project;
☐ a current set of the Rules and Regulations adopted by the owners' association;
☐ a Work Letter;
☐ other (specify): _____

2. **Premises.**

2.1 **Letting.** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. While the approximate square footage of the Premises may have been used in the marketing of the Premises for purposes of comparison, the Base Rent stated herein is NOT tied to square footage and is not subject to adjustment should the actual size be determined to be different. **NOTE: Lessee is advised to verify the actual size prior to executing this Lease.**

2.2 **Condition.** Lessor shall deliver that portion of the Premises contained within the Building ("**Unit**") to Lessee broom clean and free of debris on the Commencement Date or the Early Possession Date, whichever first occurs ("**Start Date**"), and, so long as the required service contracts described in Paragraph 7.1(b) below are obtained by Lessee and in effect within thirty days following the Start Date, warrants that the existing electrical, plumbing, fire sprinkler, lighting, heating, ventilating and air conditioning systems ("**HVAC**"), loading doors, sump pumps, if any, and all other such elements in the Unit, other than those constructed by Lessee, shall be in good operating condition on said date, that the structural elements of the roof, bearing walls and foundation of the Unit shall be free of material defects, and that the Unit does not contain hazardous levels of any mold or fungi defined as toxic under applicable state or federal law. If a non-compliance with such warranty exists as of the Start Date, or if one of such systems or elements should malfunction or fail within the appropriate warranty period, Lessor shall, as Lessor's sole obligation with respect to such matter, except as otherwise provided in this Lease, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, malfunction or failure, rectify same at Lessor's expense. The warranty periods shall be as follows: (i) 6 months as to the HVAC systems, and (ii) 30 days as to the remaining systems and other elements of the Unit. If Lessee does not give Lessor the required notice within the appropriate warranty period, correction of any such non-compliance, malfunction or failure shall be the obligation of Lessee at Lessee's sole cost and expense (except for the repairs to the fire sprinkler systems, roof, foundations, and/or bearing walls - see Paragraph 7). Lessor also warrants, that unless otherwise specified in writing, Lessor is unaware of (i) any recorded Notices of Default affecting the Premise; (ii) any delinquent amounts due under any loan secured by the Premises; and (iii) any bankruptcy proceeding affecting the Premises.

2.3 **Compliance.** Lessor warrants that to the best of its knowledge the improvements on the Premises and the Common Areas comply with the building codes applicable laws, covenants or restrictions of record, regulations, and ordinances ("**Applicable Requirements**") that were in effect at the time that each improvement, or portion thereof, was constructed. Said warranty does not apply to the use to which Lessee will put the Premises, modifications which may be required by the Americans with Disabilities Act or any similar laws as a result of Lessee's use (see Paragraph 49), or to any Alterations or Utility Installations (as defined in Paragraph 7.3(a)) made or to be made by Lessee. **NOTE: Lessee is responsible for determining whether or not the Applicable Requirements, and especially the zoning are appropriate for Lessee's intended use, and acknowledges that past uses of the Premises may no longer be allowed.** If the Premises do not comply with said warranty, Lessor shall, except as otherwise provided, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, rectify the same at Lessor's expense. If Lessee does not give Lessor written notice of a non-compliance with this warranty within 6 months following the Start Date, correction of that non-compliance shall be the obligation of Lessee at Lessee's sole cost and expense. If the Applicable Requirements are hereafter changed so as to require during the term of this Lease the construction of an addition to or an alteration of the Unit, Premises and/or Building, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the Unit, Premises and/or Building ("**Capital Expenditure**"), Lessor and Lessee shall allocate the cost of such work as follows:

(a) Subject to Paragraph 2.3(c) below, if such Capital Expenditures are required as a result of the specific and unique use of the Premises by Lessee as compared with uses by tenants in general, Lessee shall be fully responsible for the cost thereof, provided, however, that if such Capital Expenditure is required during the last 2 years of this Lease and the cost thereof exceeds 6 months' Base Rent, Lessee may instead terminate this Lease unless Lessor notifies Lessee, in writing, within 10 days after receipt of Lessee's termination notice that Lessor has elected to pay the difference between the actual cost thereof and the amount equal to 6 months' Base Rent. If Lessee elects termination, Lessee shall immediately cease the use of the Premises which requires such Capital Expenditure and deliver to Lessor written notice specifying a termination date at least 90 days thereafter. Such termination date shall, however, in no event be earlier than the last day that Lessee could legally utilize the Premises without commencing such Capital Expenditure.

(b) If such Capital Expenditure is not the result of the specific and unique use of the Premises by Lessee (such as, governmentally mandated seismic modifications), then Lessor shall pay for such Capital Expenditure and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease or any extension thereof, on the date that on which the Base Rent is due, an amount equal to 1/144th of the portion of such costs reasonably attributable to the Premises. Lessee shall pay Interest on the balance but may prepay its obligation at any time. If, however, such Capital Expenditure is required during the last 2 years of this Lease or if Lessor reasonably determines that it is not economically feasible to pay its share thereof, Lessor shall have the option to terminate this Lease upon 90 days prior written notice to Lessee unless Lessee notifies Lessor, in writing, within 10 days after receipt of Lessor's termination notice that Lessee will pay for such Capital Expenditure. If Lessor does not elect to terminate, and fails to tender its share of any such Capital Expenditure, Lessee may advance such funds and deduct same, with Interest, from Rent until Lessor's share of such costs have been fully paid. If Lessee is unable to finance Lessor's share, or if the balance of the Rent due and payable for the remainder of this Lease is not sufficient to fully reimburse Lessee on an offset basis, Lessee shall have the right to terminate this Lease upon 30 days written notice to Lessor.

(c) Notwithstanding the above, the provisions concerning Capital Expenditures are intended to apply only to non-voluntary, unexpected, and new Applicable Requirements. If the Capital Expenditures are instead triggered by Lessee as a result of an actual or proposed change in use, change in intensity of use, or modification to the Premises then, and in that event, Lessee shall either: (i) immediately cease such changed use or intensity of use and/or take such other steps as may be necessary to eliminate the requirement for such Capital Expenditure, or (ii) complete such Capital Expenditure at its own expense. Lessee shall not have any right to terminate this Lease.

2.4 **Acknowledgements.** Lessee acknowledges that: (a) it has been given an opportunity to inspect and measure the Premises, (b) it has been advised by Lessor and/or Brokers to satisfy itself with respect to the size and condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental aspects, and compliance with Applicable Requirements and the Americans with Disabilities Act), and their suitability for Lessee's intended use, (c) Lessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises, (d) it is not relying on any representation as to the size of the Premises made by Brokers or Lessor, (e) the square footage of the Premises was not material to Lessee's decision to lease the Premises and pay the Rent stated herein, and (f) neither Lessor, Lessor's agents, nor Brokers have made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. In addition, Lessor acknowledges that: (i) Brokers have made no representations, promises or warranties concerning Lessee's ability to honor the Lease or suitability to occupy the Premises, and (ii) it is Lessor's sole responsibility to investigate the financial capability and/or suitability of all proposed tenants.

2.5 **Lessee as Prior Owner/Occupant.** The warranties made by Lessor in Paragraph 2 shall be of no force or effect if immediately prior to the Start Date Lessee was the owner or occupant of the Premises. In such event, Lessee shall be responsible for any necessary corrective work.

2.6 **Vehicle Parking.** Lessee shall be entitled to use the number of Parking Spaces specified in Paragraph 1.2(b) on those portions of

the Common Areas designated from time to time by Lessor for parking. Lessee shall not use more parking spaces than said number. Said parking spaces shall be used for parking by vehicles no larger than full-size passenger automobiles or pick-up trucks, herein called **"Permitted Size Vehicles."** Lessor may regulate the loading and unloading of vehicles by adopting Rules and Regulations as provided in Paragraph 2.9. No vehicles other than Permitted Size Vehicles may be parked in the Common Area without the prior written permission of Lessor. In addition:

(a) Lessee shall not permit or allow any vehicles that belong to or are controlled by Lessee or Lessee's employees, suppliers, shippers, customers, contractors or invitees to be loaded, unloaded, or parked in areas other than those designated by Lessor for such activities.

(b) Lessee shall not service or store any vehicles in the Common Areas.

(c) If Lessee permits or allows any of the prohibited activities described in this Paragraph 2.6, then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove or tow away the vehicle involved and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.7 **Common Areas - Definition.** The term **"Common Areas"** is defined as all areas and facilities outside the Premises and within the exterior boundary line of the Project and interior utility raceways and installations within the Unit that are provided and designated by the Lessor from time to time for the general non-exclusive use of Lessor, Lessee and other tenants of the Project and their respective employees, suppliers, shippers, customers, contractors and invitees, including parking areas, loading and unloading areas, trash areas, roadways, walkways, driveways and landscaped areas.

2.8 **Common Areas - Lessee's Rights.** Lessor grants to Lessee, for the benefit of Lessee and its employees, suppliers, shippers, contractors, customers and invitees, during the term of this Lease, the non-exclusive right to use, in common with others entitled to such use, the Common Areas as they exist from time to time, subject to any rights, powers, and privileges reserved by Lessor under the terms hereof or under the terms of any rules and regulations or restrictions governing the use of the Project. Under no circumstances shall the right herein granted to use the Common Areas be deemed to include the right to store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Lessor or Lessor's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur, then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove the property and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.9 **Common Areas - Rules and Regulations.** Lessor or such other person(s) as Lessor may appoint shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to establish, modify, amend and enforce reasonable rules and regulations (**"Rules and Regulations"**) for the management, safety, care, and cleanliness of the grounds, the parking and unloading of vehicles and the preservation of good order, as well as for the convenience of other occupants or tenants of the Building and the Project and their invitees. Lessee agrees to abide by and conform to all such Rules and Regulations, and shall use its best efforts to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. Lessor shall not be responsible to Lessee for the non-compliance with said Rules and Regulations by other tenants of the Project.

2.10 **Common Areas - Changes.** Lessor shall have the right, in Lessor's sole discretion, from time to time:

(a) To make changes to the Common Areas, including, without limitation, changes in the location, size, shape and number of driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways and utility raceways;

(b) To close temporarily any of the Common Areas for maintenance purposes so long as reasonable access to the Premises remains available;

(c) To designate other land outside the boundaries of the Project to be a part of the Common Areas;

(d) To add additional buildings and improvements to the Common Areas;

(e) To use the Common Areas while engaged in making additional improvements, repairs or alterations to the Project, or any portion thereof; and

(f) To do and perform such other acts and make such other changes in, to or with respect to the Common Areas and Project as Lessor may, in the exercise of sound business judgment, deem to be appropriate.

3. **Term.**

3.1 **Term.** The Commencement Date, Expiration Date and Original Term of this Lease are as specified in Paragraph 1.3.

3.2 **Early Possession.** Any provision herein granting Lessee Early Possession of the Premises is subject to and conditioned upon the Premises being available for such possession prior to the Commencement Date. Any grant of Early Possession only conveys a non-exclusive right to occupy the Premises. If Lessee totally or partially occupies the Premises prior to the Commencement Date, the obligation to pay Base Rent shall be abated for the period of such Early Possession. All other terms of this Lease (including but not limited to the obligations to pay Lessee's Share of Common Area Operating Expenses, Real Property Taxes and insurance premiums and to maintain the Premises) shall be in effect during such period. Any such Early Possession shall not affect the Expiration Date.

3.3 **Delay In Possession.** Lessor agrees to use its best commercially reasonable efforts to deliver possession of the Premises to Lessee by the Commencement Date. If, despite said efforts, Lessor is unable to deliver possession by such date, Lessor shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease or change the Expiration Date. Lessee shall not, however, be obligated to pay Rent or perform its other obligations until Lessor delivers possession of the Premises and any period of rent abatement that Lessee would otherwise have enjoyed shall run from the date of delivery of possession and continue for a period equal to what Lessee would otherwise have enjoyed under the terms hereof, but minus any days of delay caused by the acts or omissions of Lessee. If possession is not delivered within 60 days after the Commencement Date, as the same may be extended under the terms of any Work Letter executed by Parties, Lessee may, at its option, by notice in writing within 10 days after the end of such 60 day period, cancel this Lease, in which event the Parties shall be discharged from all obligations hereunder. If such written notice is not received by Lessor within said 10 day period, Lessee's right to cancel shall terminate. If possession of the Premises is not delivered within 120 days after the Commencement Date, this Lease shall terminate unless other agreements are reached between Lessor and Lessee, in writing.

3.4 **Lessee Compliance.** Lessor shall not be required to tender possession of the Premises to Lessee until Lessee complies with its obligation to provide evidence of insurance (Paragraph 8.5). Pending delivery of such evidence, Lessee shall be required to perform all of its obligations under this Lease from and after the Start Date, including the payment of Rent, notwithstanding Lessor's election to withhold possession pending receipt of such evidence of insurance. Further, if Lessee is required to perform any other conditions prior to or concurrent with the Start Date, the Start Date shall occur but Lessor may elect to withhold possession until such conditions are satisfied.

4. **Rent.**

4.1. **Rent Defined.** All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent (**"Rent"**).

4.2 **Common Area Operating Expenses".** Lessee shall pay to Lessor during the term hereof, in addition to the Base Rent, Lessee's Share (as specified in Paragraph 1.6) of all Common Area Operating Expenses, as hereinafter defined, during each calendar year of the term of this Lease, in accordance with the following provisions:

(a) The following costs relating to the ownership and operation of the Project are defined as **"Common Area Operating Expenses"** :

(i) Costs relating to the operation, repair and maintenance, in neat, clean, good order and condition, but not the replacement

(see subparagraph (e)), of the following:

(aa) The Common Areas and Common Area improvements, including parking areas, loading and unloading areas, trash areas, roadways, parkways, walkways, driveways, landscaped areas, bumpers, irrigation systems, Common Area lighting facilities, fences and gates, elevators, roofs, exterior walls of the buildings, building systems and roof drainage systems.

(bb) Exterior signs and any tenant directories.

(cc) Any fire sprinkler systems.

(dd) All other areas and improvements that are within the exterior boundaries of the Project but outside of the Premises and/or any other space occupied by a tenant.

(ii) The cost of water, gas, electricity and telephone to service the Common Areas and any utilities not separately metered.

(iii) The cost of trash disposal, pest control services, property management, security services, owner's association dues and fees, the cost to repaint the exterior of any structures and the cost of any environmental inspections.

(iv) Reserves set aside for maintenance and repair of Common Areas and Common Area equipment.

(v) Any increase above the Base Real Property Taxes (as defined in Paragraph 10).

(vi) Any "Insurance Cost Increase" (as defined in Paragraph 8).

(vii) Any deductible portion of an insured loss concerning the Building or the Common Areas.

(viii) Auditors', accountants' and attorneys' fees and costs related to the operation, maintenance, repair and replacement of the Project.

(ix) The cost of any capital improvement to the Building or the Project not covered under the provisions of Paragraph 2.3 provided; however, that Lessor shall allocate the cost of any such capital improvement over a 12 year period and Lessee shall not be required to pay more than Lessee's Share of 1/144th of the cost of such capital improvement in any given month.

(x) The cost of any other services to be provided by Lessor that are stated elsewhere in this Lease to be a Common Area Operating Expense.

(b) Any Common Area Operating Expenses and Real Property Taxes that are specifically attributable to the Unit, the Building or to any other building in the Project or to the operation, repair and maintenance thereof, shall be allocated entirely to such Unit, Building, or other building. However, any Common Area Operating Expenses and Real Property Taxes that are not specifically attributable to the Building or to any other building or to the operation, repair and maintenance thereof, shall be equitably allocated by Lessor to all buildings in the Project.

(c) The inclusion of the improvements, facilities and services set forth in Subparagraph 4.2(a) shall not be deemed to impose an obligation upon Lessor to either have said improvements or facilities or to provide those services unless the Project already has the same, Lessor already provides the services, or Lessor has agreed elsewhere in this Lease to provide the same or some of them.

(d) Lessee's Share of Common Area Operating Expenses is payable monthly on the same day as the Base Rent is due hereunder. The amount of such payments shall be based on Lessor's estimate of the annual Common Area Operating Expenses. Within 60 days after written request (but not more than once each year) Lessor shall deliver to Lessee a reasonably detailed statement showing Lessee's Share of the actual Common Area Operating Expenses for the preceding year. If Lessee's payments during such year exceed Lessee's Share, Lessor shall credit the amount of such over-payment against Lessee's future payments. If Lessee's payments during such year were less than Lessee's Share, Lessee shall pay to Lessor the amount of the deficiency within 10 days after delivery by Lessor to Lessee of the statement.

(e) Common Area Operating Expenses shall not include the cost of replacing equipment or capital components such as the roof, foundations, exterior walls or Common Area capital improvements, such as the parking lot paving, elevators, fences that have a useful life for accounting purposes of 5 years or more.

(f) Common Area Operating Expenses shall not include any expenses paid by any tenant directly to third parties, or as to which Lessor is otherwise reimbursed by any third party, other tenant, or insurance proceeds.

4.3 **Payment.** Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States, without offset or deduction (except as specifically permitted in this Lease), on or before the day on which it is due. All monetary amounts shall be rounded to the nearest whole dollar. In the event that any statement or invoice prepared by Lessor is inaccurate such inaccuracy shall not constitute a waiver and Lessee shall be obligated to pay the amount set forth in this Lease. Rent for any period during the term hereof which is for less than one full calendar month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or place as Lessor may from time to time designate in writing. Acceptance of a payment which is less than the amount then due shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stating. In the event that any check, draft, or other instrument of payment given by Lessee to Lessor is dishonored for any reason, Lessee agrees to pay to Lessor the sum of $25 in addition to any Late Charge and Lessor, at its option, may require all future Rent be paid by cashier's check. Payments will be applied first to accrued late charges and attorney's fees, second to accrued interest, then to Base Rent and Common Area Operating Expenses, and any remaining amount to any other outstanding charges or costs.

5. **Security Deposit.** Lessee shall deposit with Lessor upon execution hereof the Security Deposit as security for Lessee's faithful performance of its obligations under this Lease. If Lessee fails to pay Rent, or otherwise Defaults under this Lease, Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount already due Lessor, for Rents which will be due in the future, and/ or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of the Security Deposit, Lessee shall within 10 days after written request therefor deposit monies with Lessor sufficient to restore said Security Deposit to the full amount required by this Lease. If the Base Rent increases during the term of this Lease, Lessee shall, upon written request from Lessor, deposit additional monies with Lessor so that the total amount of the Security Deposit shall at all times bear the same proportion to the increased Base Rent as the initial Security Deposit bore to the initial Base Rent. Should the Agreed Use be amended to accommodate a material change in the business of Lessee or to accommodate a sublessee or assignee, Lessor shall have the right to increase the Security Deposit to the extent necessary, in Lessor's reasonable judgment, to account for any increased wear and tear that the Premises may suffer as a result thereof. If a change in control of Lessee occurs during this Lease and following such change the financial condition of Lessee is, in Lessor's reasonable judgment, significantly reduced, Lessee shall deposit such additional monies with Lessor as shall be sufficient to cause the Security Deposit to be at a commercially reasonable level based on such change in financial condition. Lessor shall not be required to keep the Security Deposit separate from its general accounts. Within 90 days after the expiration or termination of this Lease, Lessor shall return that portion of the Security Deposit not used or applied by Lessor. Lessor shall upon written request provide Lessee with an accounting showing how that portion of the Security Deposit that was not returned was applied. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease.

6. **Use.**

6.1 **Use.** Lessee shall use and occupy the Premises only for the Agreed Use, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs occupants of or causes damage to neighboring premises or properties. Other than guide, signal and seeing eye dogs, Lessee shall not keep or allow in the Premises any pets, animals, birds, fish, or reptiles. Lessor shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Use, so long as the same will not impair the structural integrity of the Building or the mechanical or

electrical systems therein, and/or is not significantly more burdensome to the Project. If Lessor elects to withhold consent, Lessor shall within 7 days after such request give written notification of same, which notice shall include an explanation of Lessor's objections to the change in the Agreed Use.

6.2 **Hazardous Substances.**

(a) **Reportable Uses Require Consent.** The term **"Hazardous Substance"** as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, by-products or fractions thereof. Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable Requirements. **"Reportable Use"** shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use, ordinary office supplies (copier toner, liquid paper, glue, etc.) and common household cleaning materials, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

(b) **Duty to Inform Lessor.** If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

(c) **Lessee Remediation.** Lessee shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Lessee's expense,comply with all Applicable Requirements and take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee, or any third party.

(d) **Lessee Indemnification.** Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys' and consultants' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or any third party (provided, however, that Lessee shall have no liability under this Lease with respect to underground migration of any Hazardous Substance under the Premises from areas outside of the Project not caused or contributed to by Lessee). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease. No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.

(e) **Lessor Indemnification.** Except as otherwise provided in paragraph 8.7, Lessor and its successors and assigns shall indemnify, defend, reimburse and hold Lessee, its employees and lenders, harmless from and against any and all environmental damages, including the cost of remediation, which suffered as a direct result of Hazardous Substances on the Premises prior to Lessee taking possession or which are caused by the gross negligence or willful misconduct of Lessor, its agents or employees. Lessor's obligations, as and when required by the Applicable Requirements, shall include, but not be limited to, the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease.

(f) **Investigations and Remediations.** Lessor shall retain the responsibility and pay for any investigations or remediation measures required by governmental entities having jurisdiction with respect to the existence of Hazardous Substances on the Premises prior to Lessee taking possession, unless such remediation measure is required as a result of Lessee's use (including "Alterations", as defined in paragraph 7.3(a) below) of the Premises, in which event Lessee shall be responsible for such payment. Lessee shall cooperate fully in any such activities at the request of Lessor, including allowing Lessor and Lessor's agents to have reasonable access to the Premises at reasonable times in order to carry out Lessor's investigative and remedial responsibilities.

(g) **Lessor Termination Option.** If a Hazardous Substance Condition (see Paragraph 9.1(e)) occurs during the term of this Lease, unless Lessee is legally responsible therefor (in which case Lessee shall make the investigation and remediation thereof required by the Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Paragraph 6.2(d) and Paragraph 13), Lessor may, at Lessor's option, either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to remediate such condition exceeds 12 times the then monthly Base Rent or $100,000, whichever is greater, give written notice to Lessee, within 30 days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition, of Lessor's desire to terminate this Lease as of the date 60 days following the date of such notice. In the event Lessor elects to give a termination notice, Lessee may, within 10 days thereafter, give written notice to Lessor of Lessee's commitment to pay the amount by which the cost of the remediation of such Hazardous Substance Condition exceeds an amount equal to 12 times the then monthly Base Rent or $100,000, whichever is greater. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days following such commitment. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time provided, this Lease shall terminate as of the date specified in Lessor's notice of termination.

6.3 **Lessee's Compliance with Applicable Requirements.** Except as otherwise provided in this Lease, Lessee shall, at Lessee's sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Lessor's engineers and/or consultants which relate in any manner to the Premises, without regard to whether said Applicable Requirements are now in effect or become effective after the Start Date. Lessee shall, within 10 days after receipt of Lessor's written request, provide Lessor with copies of all permits and other documents, and other information evidencing Lessee's compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving the failure of Lessee or the Premises to comply with any Applicable Requirements. Likewise, Lessee shall immediately give written notice to Lessor of: (i) any water damage to the Premises and any suspected seepage, pooling, dampness or other condition conducive to the production of mold; or (ii) any mustiness or other odors

that might indicate the presence of mold in the Premises.

6.4 **Inspection; Compliance.** Lessor and Lessor's **"Lender"** (as defined in Paragraph 30) and consultants shall have the right to enter into Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable notice, for the purpose of inspecting the condition of the Premises and for verifying compliance by Lessee with this Lease. The cost of any such inspections shall be paid by Lessor, unless a violation of Applicable Requirements, or a Hazardous Substance Condition (see Paragraph 9.1) is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority. In such case, Lessee shall upon request reimburse Lessor for the cost of such inspection, so long as such inspection is reasonably related to the violation or contamination. In addition, Lessee shall provide copies of all relevant material safety data sheets (**MSDS**) to Lessor within 10 days of the receipt of written request therefor.

7. **Maintenance; Repairs; Utility Installations; Trade Fixtures and Alterations.**

7.1 **Lessee's Obligations.**

(a) **In General.** Subject to the provisions of Paragraph 2.2 (Condition), 2.3 (Compliance), 6.3 (Lessee's Compliance with Applicable Requirements), 7.2 (Lessor's Obligations), 9 (Damage or Destruction), and 14 (Condemnation), Lessee shall, at Lessee's sole expense, keep the Premises, Utility Installations (intended for Lessee's exclusive use, no matter where located), and Alterations in good order, condition and repair (whether or not the portion of the Premises requiring repairs, or the means of repairing the same, are reasonably or readily accessible to Lessee, and whether or not the need for such repairs occurs as a result of Lessee's use, any prior use, the elements or the age of such portion of the Premises), including, but not limited to, all equipment or facilities, such as plumbing, HVAC equipment, electrical, lighting facilities, boilers, pressure vessels, fixtures, interior walls, interior surfaces of exterior walls, ceilings, floors, windows, doors, plate glass, and skylights but excluding any items which are the responsibility of Lessor pursuant to Paragraph 7.2. Lessee, in keeping the Premises in good order, condition and repair, shall exercise and perform good maintenance practices, specifically including the procurement and maintenance of the service contracts required by Paragraph 7.1(b) below. Lessee's obligations shall include restorations, replacements or renewals when necessary to keep the Premises and all improvements thereon or a part thereof in good order, condition and state of repair.

(b) **Service Contracts.** Lessee shall, at Lessee's sole expense, procure and maintain contracts, with copies to Lessor, in customary form and substance for, and with contractors specializing and experienced in the maintenance of the following equipment and improvements, if any, if and when installed on the Premises: (i) HVAC equipment, (ii) boiler and pressure vessels, and (iii) clarifiers. However, Lessor reserves the right, upon notice to Lessee, to procure and maintain any or all of such service contracts, and Lessee shall reimburse Lessor, upon demand, for the cost thereof.

(c) **Failure to Perform.** If Lessee fails to perform Lessee's obligations under this Paragraph 7.1, Lessor may enter upon the Premises after 10 days' prior written notice to Lessee (except in the case of an emergency, in which case no notice shall be required), perform such obligations on Lessee's behalf, and put the Premises in good order, condition and repair, and Lessee shall promptly pay to Lessor a sum equal to 115% of the cost thereof.

(d) **Replacement.** Subject to Lessee's indemnification of Lessor as set forth in Paragraph 8.7 below, and without relieving Lessee of liability resulting from Lessee's failure to exercise and perform good maintenance practices, if an item described in Paragraph 7.1(b) cannot be repaired other than at a cost which is in excess of 50% of the cost of replacing such item, then such item shall be replaced by Lessor, and the cost thereof shall be prorated between the Parties and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease, on the date on which Base Rent is due, an amount equal to the product of multiplying the cost of such replacement by a fraction, the numerator of which is one, and the denominator of which is 144 (ie. 1/144th of the cost per month). Lessee shall pay Interest on the unamortized balance but may prepay its obligation at any time.

7.2 **Lessor's Obligations.** Subject to the provisions of Paragraphs 2.2 (Condition), 2.3 (Compliance), 4.2 (Common Area Operating Expenses), 6 (Use), 7.1 (Lessee's Obligations), 9 (Damage or Destruction) and 14 (Condemnation), Lessor, subject to reimbursement pursuant to Paragraph 4.2, shall keep in good order, condition and repair the foundations, exterior walls, structural condition of interior bearing walls, exterior roof, fire sprinkler system, Common Area fire alarm and/or smoke detection systems, fire hydrants, parking lots, walkways, parkways, driveways, landscaping, fences, signs and utility systems serving the Common Areas and all parts thereof, as well as providing the services for which there is a Common Area Operating Expense pursuant to Paragraph 4.2. Lessor shall not be obligated to paint the exterior or interior surfaces of exterior walls nor shall Lessor be obligated to maintain, repair or replace windows, doors or plate glass of the Premises. Lessee expressly waives the benefit of any statute now or hereafter in effect to the extent it is inconsistent with the terms of this Lease.

7.3 **Utility Installations; Trade Fixtures; Alterations.**

(a) **Definitions.** The term "Utility Installations" refers to all floor and window coverings, air and/or vacuum lines, power panels, electrical distribution, security and fire protection systems, communication cabling, lighting fixtures, HVAC equipment, plumbing, and fencing in or on the Premises. The term **"Trade Fixtures"** shall mean Lessee's machinery and equipment that can be removed without doing material damage to the Premises. The term **"Alterations"** shall mean any modification of the improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion. **"Lessee Owned Alterations and/or Utility Installations"** are defined as Alterations and/or Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.4(a).

(b) **Consent.** Lessee shall not make any Alterations or Utility Installations to the Premises without Lessor's prior written consent. Lessee may, however, make non-structural Alterations or Utility Installations to the interior of the Premises (excluding the roof) without such consent but upon notice to Lessor, as long as they are not visible from the outside, do not involve puncturing, relocating or removing the roof or any existing walls, will not affect the electrical, plumbing, HVAC, and/or life safety systems, do not trigger the requirement for additional modifications and/or improvements to the Premises resulting from Applicable Requirements, such as compliance with Title 24, and the cumulative cost thereof during this Lease as extended does not exceed a sum equal to 3 month's Base Rent in the aggregate or a sum equal to one month's Base Rent in any one year. Notwithstanding the foregoing, Lessee shall not make or permit any roof penetrations and/or install anything on the roof without the prior written approval of Lessor. Lessor may, as a precondition to granting such approval, require Lessee to utilize a contractor chosen and/or approved by Lessor. Any Alterations or Utility Installations that Lessee shall desire to make and which require the consent of the Lessor shall be presented to Lessor in written form with detailed plans. Consent shall be deemed conditioned upon Lessee's: (i) acquiring all applicable governmental permits, (ii) furnishing Lessor with copies of both the permits and the plans and specifications prior to commencement of the work, and (iii) compliance with all conditions of said permits and other Applicable Requirements in a prompt and expeditious manner. Any Alterations or Utility Installations shall be performed in a workmanlike manner with good and sufficient materials. Lessee shall promptly upon completion furnish Lessor with as-built plans and specifications. For work which costs an amount in excess of one month's Base Rent, Lessor may condition its consent upon Lessee providing a lien and completion bond in an amount equal to 150% of the estimated cost of such Alteration or Utility Installation and/or upon Lessee's posting an additional Security Deposit with Lessor.

(c) **Liens; Bonds.** Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use on the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises or any interest therein. Lessee shall give Lessor not less than 10 days notice prior to the commencement of any work in, on or about the Premises, and Lessor shall have the right to post notices of non-responsibility. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to 150% of the amount of such contested lien, claim or demand, indemnifying Lessor against liability for the same. If Lessor elects to participate in any such action,

Lessee shall pay Lessor's attorneys' fees and costs.

7.4 **Ownership; Removal; Surrender; and Restoration.**

(a) **Ownership.** Subject to Lessor's right to require removal or elect ownership as hereinafter provided, all Alterations and Utility Installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. Lessor may, at any time, elect in writing to be the owner of all or any specified part of the Lessee Owned Alterations and Utility Installations. Unless otherwise instructed per paragraph 7.4(b) hereof, all Lessee Owned Alterations and Utility Installations shall, at the expiration or termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises.

(b) **Removal.** By delivery to Lessee of written notice from Lessor not earlier than 90 and not later than 30 days prior to the end of the term of this Lease, Lessor may require that any or all Lessee Owned Alterations or Utility Installations be removed by the expiration or termination of this Lease. Lessor may require the removal at any time of all or any part of any Lessee Owned Alterations or Utility Installations made without the required consent.

(c) **Surrender; Restoration.** Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, with all of the improvements, parts and surfaces thereof broom clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice. Notwithstanding the foregoing, if this Lease is for 12 months or less, then Lessee shall surrender the Premises in the same condition as delivered to Lessee on the Start Date with NO allowance for ordinary wear and tear. Lessee shall repair any damage occasioned by the installation, maintenance or removal of Trade Fixtures, Lessee owned Alterations and/or Utility Installations, furnishings, and equipment as well as the removal of any storage tank installed by or for Lessee. Lessee shall also remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Lessee, or any third party (except Hazardous Substances which were deposited via underground migration from areas outside of the Premises) to the level specified in Applicable Requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. Any personal property of Lessee not removed on or before the Expiration Date or any earlier termination date shall be deemed to have been abandoned by Lessee and may be disposed of or retained by Lessor as Lessor may desire. The failure by Lessee to timely vacate the Premises pursuant to this Paragraph 7.4(c) without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 26 below.

8. **Insurance; Indemnity.**

8.1 **Payment of Premium Increases.**

(a) As used herein, the term **"Insurance Cost Increase"** is defined as any increase in the actual cost of the insurance applicable to the Building and/or the Project and required to be carried by Lessor, pursuant to Paragraphs 8.2(b), 8.3(a) and 8.3(b), over and above the Base Premium, as hereinafter defined, calculated on an annual basis. Insurance Cost Increase shall include, but not be limited to, requirements of the holder of a mortgage or deed of trust covering the Premises, Building and/or Project, increased valuation of the Premises, Building and/or Project, and/or a general premium rate increase. The term Insurance Cost Increase shall not, however, include any premium increases resulting from the nature of the occupancy of any other tenant of the Building. The **"Base Premium"** shall be the annual premium applicable to the 12 month period immediately preceding the Start Date. If, however, the Project was not insured for the entirety of such 12 month period, then the Base Premium shall be the lowest annual premium reasonably obtainable for the Required Insurance as of the Start Date, assuming the most nominal use possible of the Building. In no event, however, shall Lessee be responsible for any portion of the premium cost attributable to liability insurance coverage in excess of $2,000,000 procured under Paragraph 8.2(b).

(b) Lessee shall pay any Insurance Cost Increase to Lessor pursuant to Paragraph 4.2. Premiums for policy periods commencing prior to, or extending beyond, the term of this Lease shall be prorated to coincide with the corresponding Start Date or Expiration Date.

8.2 **Liability Insurance.**

(a) **Carried by Lessee.** Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee and Lessor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than $1,000,000 per occurrence with an annual aggregate of not less than $2,000,000. Lessee shall add Lessor as an additional insured by means of an endorsement at least as broad as the Insurance Service Organization's "Additional Insured-Managers or Lessors of Premises" Endorsement. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an **"insured contract"** for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. Lessee shall provide an endorsement on its liability policy(ies) which provides that its insurance shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.

(b) **Carried by Lessor.** Lessor shall maintain liability insurance as described in Paragraph 8.2(a), in addition to, and not in lieu of, the insurance required to be maintained by Lessee. Lessee shall not be named as an additional insured therein.

8.3 **Property Insurance - Building, Improvements and Rental Value.**

(a) **Building and Improvements.** Lessor shall obtain and keep in force a policy or policies of insurance in the name of Lessor, with loss payable to Lessor, any ground-lessor, and to any Lender insuring loss or damage to the Premises. The amount of such insurance shall be equal to the full insurable replacement cost of the Premises, as the same shall exist from time to time, or the amount required by any Lender, but in no event more than the commercially reasonable and available insurable value thereof. Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee not by Lessor. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender), including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed $5,000 per occurrence.

(b) **Rental Value.** Lessor shall also obtain and keep in force a policy or policies in the name of Lessor with loss payable to Lessor and any Lender, insuring the loss of the full Rent for one year with an extended period of indemnity for an additional 180 days ("Rental Value insurance"). Said insurance shall contain an agreed valuation provision in lieu of any coinsurance clause, and the amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Lessee, for the next 12 month period.

(c) **Adjacent Premises.** Lessee shall pay for any increase in the premiums for the property insurance of the Building and for the Common Areas or other buildings in the Project if said increase is caused by Lessee's acts, omissions, use or occupancy of the Premises.

(d) **Lessee's Improvements.** Since Lessor is the Insuring Party, Lessor shall not be required to insure Lessee Owned Alterations and Utility Installations unless the item in question has become the property of Lessor under the terms of this Lease.

8.4 **Lessee's Property; Business Interruption Insurance; Worker's Compensation Insurance.**

(a) **Property Damage.** Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations and Utility Installations. Such insurance shall be full replacement cost coverage with a deductible of not to exceed $1,000 per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, Trade Fixtures and

Lessee Owned Alterations and Utility Installations.

(b) **Business Interruption**. Lessee shall obtain and maintain loss of income and extra expense insurance in amounts as will reimburse Lessee for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent lessees in the business of Lessee or attributable to prevention of access to the Premises as a result of such perils.

(c) **Worker's Compensation Insurance.** Lessee shall obtain and maintain Worker's Compensation Insurance in such amount as may be required by Applicable Requirements. Such policy shall include a 'Waiver of Subrogation' endorsement. Lessee shall provide Lessor with a copy of such endorsement along with the certificate of insurance or copy of the policy required by paragraph 8.5.

(d) **No Representation of Adequate Coverage**. Lessor makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Lessee's property, business operations or obligations under this Lease.

8.5 **Insurance Policies**. Insurance required herein shall be by companies maintaining during the policy term a "General Policyholders Rating" of at least A-, VII, as set forth in the most current issue of "Best's Insurance Guide", or such other rating as may be required by a Lender. Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Start Date, deliver to Lessor certified copies of policies of such insurance or certificates with copies of the required endorsements evidencing the existence and amounts of the required insurance. No such policy shall be cancelable or subject to modification except after 30 days prior written notice to Lessor. Lessee shall, at least 10 days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may order such insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.

8.6 **Waiver of Subrogation**. Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereto. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.

8.7 **Indemnity**. Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the use and/or occupancy of the Premises by Lessee. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified.

8.8 **Exemption of Lessor and its Agents from Liability**. Notwithstanding the negligence or breach of this Lease by Lessor or its agents, neither Lessor nor its agents shall be liable under any circumstances for: (i) injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, indoor air quality, the presence of mold or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the Building, or from other sources or places, (ii) any damages arising from any act or neglect of any other tenant of Lessor or from the failure of Lessor or its agents to enforce the provisions of any other lease in the Project, or (iii) injury to Lessee's business or for any loss of income or profit therefrom. Instead, it is intended that Lessee's sole recourse in the event of such damages or injury be to file a claim on the insurance policy(ies) that Lessee is required to maintain pursuant to the provisions of paragraph 8.

8.9 **Failure to Provide Insurance**. Lessee acknowledges that any failure on its part to obtain or maintain the insurance required herein will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, for any month or portion thereof that Lessee does not maintain the required insurance and/or does not provide Lessor with the required binders or certificates evidencing the existence of the required insurance, the Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or $100, whichever is greater. The parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to maintain the required insurance. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to maintain such insurance, prevent the exercise of any of the other rights and remedies granted hereunder, nor relieve Lessee of its obligation to maintain the insurance specified in this Lease.

9. **Damage or Destruction**.

9.1 **Definitions**.

(a) **"Premises Partial Damage"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations, which can reasonably be repaired in 3 months or less from the date of the damage or destruction, and the cost thereof does not exceed a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(b) **"Premises Total Destruction"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which cannot reasonably be repaired in 3 months or less from the date of the damage or destruction and/or the cost thereof exceeds a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(c) **"Insured Loss"** shall mean damage or destruction to improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which was caused by an event required to be covered by the insurance described in Paragraph 8.3(a), irrespective of any deductible amounts or coverage limits involved.

(d) **"Replacement Cost"** shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of Applicable Requirements, and without deduction for depreciation.

(e) **"Hazardous Substance Condition"** shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance, in, on, or under the Premises which requires restoration.

9.2 **Partial Damage - Insured Loss**. If a Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Trade Fixtures or Lessee Owned Alterations and Utility Installations) as soon as reasonably possible and this Lease shall continue in full force and effect; provided, however, that Lessee shall, at Lessor's election, make the repair of any damage or destruction the total cost to repair of which is $10,000 or less, and, in such event, Lessor shall make any applicable insurance proceeds available to Lessee on a reasonable basis for that purpose. Notwithstanding the foregoing, if the required insurance was not in force or the insurance proceeds are not sufficient to effect such repair, the Insuring Party shall promptly contribute the shortage in proceeds as and when required to complete said repairs. In the event, however, such shortage was due to the fact that, by reason of the unique nature of the improvements, full replacement cost insurance coverage was not commercially reasonable and available, Lessor shall have no obligation to pay for the shortage in insurance proceeds or to fully

restore the unique aspects of the Premises unless Lessee provides Lessor with the funds to cover same, or adequate assurance thereof, within 10 days following receipt of written notice of such shortage and request therefor. If Lessor receives said funds or adequate assurance thereof within said 10 day period, the party responsible for making the repairs shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If such funds or assurance are not received, Lessor may nevertheless elect by written notice to Lessee within 10 days thereafter to: (i) make such restoration and repair as is commercially reasonable with Lessor paying any shortage in proceeds, in which case this Lease shall remain in full force and effect, or (ii) have this Lease terminate 30 days thereafter. Lessee shall not be entitled to reimbursement of any funds contributed by Lessee to repair any such damage or destruction. Premises Partial Damage due to flood or earthquake shall be subject to Paragraph 9.3, notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.

9.3 **Partial Damage - Uninsured Loss.** If a Premises Partial Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's expense), Lessor may either: (i) repair such damage as soon as reasonably possible at Lessor's expense (subject to reimbursement pursuant to Paragraph 4.2), in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving written notice to Lessee within 30 days after receipt by Lessor of knowledge of the occurrence of such damage. Such termination shall be effective 60 days following the date of such notice. In the event Lessor elects to terminate this Lease, Lessee shall have the right within 10 days after receipt of the termination notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage without reimbursement from Lessor. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days after making such commitment. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible after the required funds are available. If Lessee does not make the required commitment, this Lease shall terminate as of the date specified in the termination notice.

9.4 **Total Destruction.** Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, this Lease shall terminate 60 days following such Destruction. If the damage or destruction was caused by the gross negligence or willful misconduct of Lessee, Lessor shall have the right to recover Lessor's damages from Lessee, except as provided in Paragraph 8.6.

9.5 **Damage Near End of Term.** If at any time during the last 6 months of this Lease there is damage for which the cost to repair exceeds one month's Base Rent, whether or not an Insured Loss, Lessor may terminate this Lease effective 60 days following the date of occurrence of such damage by giving a written termination notice to Lessee within 30 days after the date of occurrence of such damage. Notwithstanding the foregoing, if Lessee at that time has an exercisable option to extend this Lease or to purchase the Premises, then Lessee may preserve this Lease by, (a) exercising such option and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is 10 days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option expires. If Lessee duly exercises such option during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's commercially reasonable expense, repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such option and provide such funds or assurance during such period, then this Lease shall terminate on the date specified in the termination notice and Lessee's option shall be extinguished.

9.6 **Abatement of Rent; Lessee's Remedies.**

(a) **Abatement.** In the event of Premises Partial Damage or Premises Total Destruction or a Hazardous Substance Condition for which Lessee is not responsible under this Lease, the Rent payable by Lessee for the period required for the repair, remediation or restoration of such damage shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired, but not to exceed the proceeds received from the Rental Value insurance. All other obligations of Lessee hereunder shall be performed by Lessee, and Lessor shall have no liability for any such damage, destruction, remediation, repair or restoration except as provided herein.

(b) **Remedies.** If Lessor is obligated to repair or restore the Premises and does not commence, in a substantial and meaningful way, such repair or restoration within 90 days after such obligation shall accrue, Lessee may, at any time prior to the commencement of such repair or restoration, give written notice to Lessor and to any Lenders of which Lessee has actual notice, of Lessee's election to terminate this Lease on a date not less than 60 days following the giving of such notice. If Lessee gives such notice and such repair or restoration is not commenced within 30 days thereafter, this Lease shall terminate as of the date specified in said notice. If the repair or restoration is commenced within such 30 days, this Lease shall continue in full force and effect. "Commence" shall mean either the unconditional authorization of the preparation of the required plans, or the beginning of the actual work on the Premises, whichever first occurs.

9.7 **Termination; Advance Payments.** Upon termination of this Lease pursuant to Paragraph 6.2(g) or Paragraph 9, an equitable adjustment shall be made concerning advance Base Rent and any other advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's Security Deposit as has not been, or is not then required to be, used by Lessor.

10. **Real Property Taxes.**

10.1 **Definitions.**

(a) **"Real Property Taxes."** As used herein, the term **"Real Property Taxes"** shall include any form of assessment; real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Lessor in the Project, Lessor's right to other income therefrom, and/or Lessor's business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Project address. The term "Real Property Taxes" shall also include any tax, fee, levy, assessment or charge, or any increase therein: (i) imposed by reason of events occurring during the term of this Lease, including but not limited to, a change in the ownership of the Project, (ii) a change in the improvements thereon, and/or (iii) levied or assessed on machinery or equipment provided by Lessor to Lessee pursuant to this Lease.

(b) **"Base Real Property Taxes."** As used herein, the term **"Base Real Property Taxes"** shall be the amount of Real Property Taxes, which are assessed against the Premises, Building, Project or Common Areas in the calendar year during which the Lease is executed. In calculating Real Property Taxes for any calendar year, the Real Property Taxes for any real estate tax year shall be included in the calculation of Real Property Taxes for such calendar year based upon the number of days which such calendar year and tax year have in common.

10.2 **Payment of Taxes.** Except as otherwise provided in Paragraph 10.3, Lessor shall pay the Real Property Taxes applicable to the Project, and said payments shall be included in the calculation of Common Area Operating Expenses in accordance with the provisions of Paragraph 4.2.

10.3 **Additional Improvements.** Common Area Operating Expenses shall not include Real Property Taxes specified in the tax assessor's records and work sheets as being caused by additional improvements placed upon the Project by other tenants or by Lessor for the exclusive enjoyment of such other Tenants. Notwithstanding Paragraph 10.2 hereof, Lessee shall, however, pay to Lessor at the time Common Area Operating Expenses are payable under Paragraph 4.2, the entirety of any increase in Real Property Taxes if assessed solely by reason of Alterations, Trade Fixtures or Utility Installations placed upon the Premises by Lessee or at Lessee's request or by reason of any alterations or improvements to the Premises made by Lessor subsequent to the execution of this Lease by the Parties.

10.4 **Joint Assessment.** If the Building is not separately assessed, Real Property Taxes allocated to the Building shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. Lessor's reasonable determination thereof, in good faith, shall be conclusive.

10.5 **Personal Property Taxes.** Lessee shall pay prior to delinquency all taxes assessed against and levied upon Lessee Owned

Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee contained in the Premises. When possible, Lessee shall cause its Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within 10 days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

11. **Utilities and Services.** Lessee shall pay for all water, gas, heat, light, power, telephone, trash disposal and other utilities and services supplied to the Premises, together with any taxes thereon. Notwithstanding the provisions of Paragraph 4.2, if at any time in Lessor's sole judgment, Lessor determines that Lessee is using a disproportionate amount of water, electricity or other commonly metered utilities, or that Lessee is generating such a large volume of trash as to require an increase in the size of the trash receptacle and/or an increase in the number of times per month that it is emptied, then Lessor may increase Lessee's Base Rent by an amount equal to such increased costs. There shall be no abatement of Rent and Lessor shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption or discontinuance of any utility or service due to riot, strike, labor dispute, breakdown, accident, repair or other cause beyond Lessor's reasonable control or in cooperation with governmental request or directions.

12. **Assignment and Subletting.**

12.1 **Lessor's Consent Required.**

(a) Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or encumber (collectively, **"assign or assignment"**) or sublet all or any part of Lessee's interest in this Lease or in the Premises without Lessor's prior written consent.

(b) Unless Lessee is a corporation and its stock is publicly traded on a national stock exchange, a change in the control of Lessee shall constitute an assignment requiring consent. The transfer, on a cumulative basis, of 25% or more of the voting control of Lessee shall constitute a change in control for this purpose.

(c) The involvement of Lessee or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buy-out or otherwise), whether or not a formal assignment or hypothecation of this Lease or Lessee's assets occurs, which results or will result in a reduction of the Net Worth of Lessee by an amount greater than 25% of such Net Worth as it was represented at the time of the execution of this Lease or at the time of the most recent assignment to which Lessor has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, whichever was or is greater, shall be considered an assignment of this Lease to which Lessor may withhold its consent. **"Net Worth of Lessee"** shall mean the net worth of Lessee (excluding any guarantors) established under generally accepted accounting principles.

(d) An assignment or subletting without consent shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1(d), or a noncurable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unapproved assignment or subletting as a noncurable Breach, Lessor may either: (i) terminate this Lease, or (ii) upon 30 days written notice, increase the monthly Base Rent to 110% of the Base Rent then in effect. Further, in the event of such Breach and rental adjustment, (i) the purchase price of any option to purchase the Premises held by Lessee shall be subject to similar adjustment to 110% of the price previously in effect, and (ii) all fixed and non-fixed rental adjustments scheduled during the remainder of the Lease term shall be increased to 110% of the scheduled adjusted rent.

(e) Lessee's remedy for any breach of Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

(f) Lessor may reasonably withhold consent to a proposed assignment or subletting if Lessee is in Default at the time consent is requested.

(g) Notwithstanding the foregoing, allowing a de minimis portion of the Premises, ie. 20 square feet or less, to be used by a third party vendor in connection with the installation of a vending machine or payphone shall not constitute a subletting.

12.2 **Terms and Conditions Applicable to Assignment and Subletting.**

(a) Regardless of Lessor's consent, no assignment or subletting shall : (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee.

(b) Lessor may accept Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of Rent or performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for Lessee's Default or Breach.

(c) Lessor's consent to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting.

(d) In the event of any Default or Breach by Lessee, Lessor may proceed directly against Lessee, any Guarantors or anyone else responsible for the performance of Lessee's obligations under this Lease, including any assignee or sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefor to Lessor, or any security held by Lessor.

(e) Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including but not limited to the intended use and/or required modification of the Premises, if any, together with a fee of $500 as consideration for Lessor's considering and processing said request. Lessee agrees to provide Lessor with such other or additional information and/or documentation as may be reasonably requested. (See also Paragraph 36)

(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment, entering into such sublease, or entering into possession of the Premises or any portion thereof, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented to in writing.

(g) Lessor's consent to any assignment or subletting shall not transfer to the assignee or sublessee any Option granted to the original Lessee by this Lease unless such transfer is specifically consented to by Lessor in writing. (See Paragraph 39.2)

12.3 **Additional Terms and Conditions Applicable to Subletting.** The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

(a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all Rent payable on any sublease, and Lessor may collect such Rent and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations, Lessee may collect said Rent. In the event that the amount collected by Lessor exceeds Lessee's then outstanding obligations any such excess shall be refunded to Lessee. Lessor shall not, by reason of the foregoing or any assignment of such sublease, nor by reason of the collection of Rent, be deemed liable to the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor all Rent due and to become due under the sublease. Sublessee shall rely upon any such notice from Lessor and shall pay all Rents to Lessor without any obligation or right to inquire as to whether such Breach exists, notwithstanding any claim from Lessee to the contrary.

(b) In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to attorn to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any prior Defaults or Breaches of such sublessor.

(c) Any matter requiring the consent of the sublessor under a sublease shall also require the consent of Lessor.

(d) No sublessee shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.

(e) Lessor shall deliver a copy of any notice of Default or Breach by Lessee to the sublessee, who shall have the right to cure the Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

13. **Default; Breach; Remedies.**

13.1 **Default; Breach.** A **"Default"** is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A "Breach" is defined as the occurrence of one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:

(a) The abandonment of the Premises; or the vacating of the Premises without providing a commercially reasonable level of security, or where the coverage of the property insurance described in Paragraph 8.3 is jeopardized as a result thereof, or without providing reasonable assurances to minimize potential vandalism.

(b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 3 business days following written notice to Lessee. THE ACCEPTANCE BY LESSOR OF A PARTIAL PAYMENT OF RENT OR SECURITY DEPOSIT SHALL NOT CONSTITUTE A WAIVER OF ANY OF LESSOR'S RIGHTS, INCLUDING LESSOR'S RIGHT TO RECOVER POSSESSION OF THE PREMISES.

(c) The failure of Lessee to allow Lessor and/or its agents access to the Premises or the commission of waste, act or acts constituting public or private nuisance, and/or an illegal activity on the Premises by Lessee, where such actions continue for a period of 3 business days following written notice to Lessee. In the event that Lessee commits waste, a nuisance or an illegal activity a second time then, the Lessor may elect to treat such conduct as a non-curable Breach rather than a Default.

(d) The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements, (ii) the service contracts, (iii) the rescission of an unauthorized assignment or subletting, (iv) an Estoppel Certificate or financial statements, (v) a requested subordination, (vi) evidence concerning any guaranty and/or Guarantor, (vii) any document requested under Paragraph 41, (viii) material data safety sheets (MSDS), or (ix) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of 10 days following written notice to Lessee.

(e) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 2.9 hereof, other than those described in subparagraphs 13.1(a), (b), (c) or (d), above, where such Default continues for a period of 30 days after written notice; provided, however, that if the nature of Lessee's Default is such that more than 30 days are reasonably required for its cure, then it shall not be deemed to be a Breach if Lessee commences such cure within said 30 day period and thereafter diligently prosecutes such cure to completion.

(f) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a **"debtor"** as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within 30 days; provided, however, in the event that any provision of this subparagraph is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

(g) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

(h) If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory basis, and Lessee's failure, within 60 days following written notice of any such event, to provide written alternative assurance or security, which, when coupled with the then existing resources of Lessee, equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.

13.2 **Remedies.** If Lessee fails to perform any of its affirmative duties or obligations, within 10 days after written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. Lessee shall pay to Lessor an amount equal to 115% of the costs and expenses incurred by Lessor in such performance upon receipt of an invoice therefor. In the event of a Breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover any damages to which Lessor is otherwise entitled. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraph 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required by Paragraph 13.1. In such case, the applicable grace period required by Paragraph 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee's right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

(c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under

any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

13.3 **Inducement Recapture**. Any agreement for free or abated rent or other charges, the cost of tenant improvements for Lessee paid for or performed by Lessor, or for the giving or paying by Lessor to or for Lessee of any cash or other bonus, inducement or consideration for Lessee's entering into this Lease, all of which concessions are hereinafter referred to as **"Inducement Provisions"**, shall be deemed conditioned upon Lessee's full and faithful performance of all of the terms, covenants and conditions of this Lease. Upon Breach of this Lease by Lessee, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Lessor under such an Inducement Provision shall be immediately due and payable by Lessee to Lessor, notwithstanding any subsequent cure of said Breach by Lessee. The acceptance by Lessor of rent or the cure of the Breach which initiated the operation of this paragraph shall not be deemed a waiver by Lessor of the provisions of this paragraph unless specifically so stated in writing by Lessor at the time of such acceptance.

13.4 **Late Charges**. Lessee hereby acknowledges that late payment by Lessee of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within 5 days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall immediately pay to Lessor a one-time late charge equal to 10% of each such overdue amount or $100, whichever is greater. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for 3 consecutive installments of Base Rent, then notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.5 **Interest**. Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor, when due shall bear interest from the 31st day after it was due. The interest (**"Interest"**) charged shall be computed at the rate of 10% per annum but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late charge provided for in Paragraph 13.4.

13.6 **Breach by Lessor**.

(a) **Notice of Breach**. Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be less than 30 days after receipt by Lessor, and any Lender whose name and address shall have been furnished to Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than 30 days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such 30 day period and thereafter diligently pursued to completion.

(b) **Performance by Lessee on Behalf of Lessor**. In the event that neither Lessor nor Lender cures said breach within 30 days after receipt of said notice, or if having commenced said cure they do not diligently pursue it to completion, then Lessee may elect to cure said breach at Lessee's expense and offset from Rent the actual and reasonable cost to perform such cure, provided however, that such offset shall not exceed an amount equal to the greater of one month's Base Rent or the Security Deposit, reserving Lessee's right to reimbursement from Lessor for any such expense in excess of such offset. Lessee shall document the cost of said cure and supply said documentation to Lessor.

14. **Condemnation**. If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively **"Condemnation"**), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10% of the floor area of the Unit, or more than 25% of the parking spaces is taken by Condemnation, Lessee may, at Lessee's option, to be exercised in writing within 10 days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within 10 days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in utility of the Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken, or for severance damages; provided, however, that Lessee shall be entitled to any compensation paid by the condemnor for Lessee's relocation expenses, loss of business goodwill and/or Trade Fixtures, without regard to whether or not this Lease is terminated pursuant to the provisions of this Paragraph. All Alterations and Utility Installations made to the Premises by Lessee, for purposes of Condemnation only, shall be considered the property of the Lessee and Lessee shall be entitled to any and all compensation which is payable therefor. In the event that this Lease is not terminated by reason of the Condemnation, Lessor shall repair any damage to the Premises caused by such Condemnation.

15. **Brokerage Fees**.

15.1 **Additional Commission**. In addition to the payments owed pursuant to Paragraph 1.10 above, Lessor agrees that: (a) if Lessee exercises any Option, (b) if Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises or other premises owned by Lessor and located within the Project, (c) if Lessee remains in possession of the Premises, with the consent of Lessor, after the expiration of this Lease, or (d) if Base Rent is increased, whether by agreement or operation of an escalation clause herein, then, Lessor shall pay Brokers a fee in accordance with the fee schedule of the Brokers in effect at the time the Lease was executed.

15.2 **Assumption of Obligations**. Any buyer or transferee of Lessor's interest in this Lease shall be deemed to have assumed Lessor's obligation hereunder. Brokers shall be third party beneficiaries of the provisions of Paragraphs 1.10, 15, 22 and 31. If Lessor fails to pay to Brokers any amounts due as and for brokerage fees pertaining to this Lease when due, then such amounts shall accrue Interest. In addition, if Lessor fails to pay any amounts to Lessee's Broker when due, Lessee's Broker may send written notice to Lessor and Lessee of such failure and if Lessor fails to pay such amounts within 10 days after said notice, Lessee shall pay said monies to its Broker and offset such amounts against Rent. In addition, Lessee's Broker shall be deemed to be a third party beneficiary of any commission agreement entered into by and/or between Lessor and Lessor's Broker for the limited purpose of collecting any brokerage fee owed.

15.3 **Representations and Indemnities of Broker Relationships**. Lessee and Lessor each represent and warrant to the other that it has had no dealings with any person, firm, broker or finder (other than the Brokers, if any) in connection with this Lease, and that no one other than said named Brokers is entitled to any commission or finder's fee in connection herewith. Lessee and Lessor do each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying Party, including any costs, expenses, attorneys' fees reasonably incurred with respect thereto.

16. **Estoppel Certificates**.

(a) Each Party (as **"Responding Party"**) shall within 10 days after written notice from the other Party (the **"Requesting Party"**) execute, acknowledge and deliver to the Requesting Party a statement in writing in form similar to the then most current **"Estoppel Certificate"** form published by the AIR Commercial Real Estate Association, plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party.

(b) If the Responding Party shall fail to execute or deliver the Estoppel Certificate within such 10 day period, the Requesting Party may execute an Estoppel Certificate stating that: (i) the Lease is in full force and effect without modification except as may be represented by the Requesting Party, (ii) there are no uncured defaults in the Requesting Party's performance, and (iii) if Lessor is the Requesting Party, not more than one

month's rent has been paid in advance. Prospective purchasers and encumbrancers may rely upon the Requesting Party's Estoppel Certificate, and the Responding Party shall be estopped from denying the truth of the facts contained in said Certificate. In addition, Lessee acknowledges that any failure on its part to provide such an Estoppel Certificate will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, should the Lessee fail to execute and/or deliver a requested Estoppel Certificate in a timely fashion the monthly Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or $100, whichever is greater for remainder of the Lease. The Parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to provide the Estoppel Certificate. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to provide the Estoppel Certificate nor prevent the exercise of any of the other rights and remedies granted hereunder.

(c) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee and all Guarantors shall within 10 days after written notice from Lessor deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee's financial statements for the past 3 years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. **Definition of Lessor.** The term **"Lessor"** as used herein shall mean the owner or owners at the time in question of the fee title to the Premises, or, if this is a sublease, of the Lessee's interest in the prior lease. In the event of a transfer of Lessor's title or interest in the Premises or this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor. Upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined.

18. **Severability.** The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

19. **Days.** Unless otherwise specifically indicated to the contrary, the word **"days"** as used in this Lease shall mean and refer to calendar days.

20. **Limitation on Liability.** The obligations of Lessor under this Lease shall not constitute personal obligations of Lessor, or its partners, members, directors, officers or shareholders, and Lessee shall look to the Premises, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against Lessor's partners, members, directors, officers or shareholders, or any of their personal assets for such satisfaction.

21. **Time of Essence.** Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

22. **No Prior or Other Agreements; Broker Disclaimer.** This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Lessor and Lessee each represents and warrants to the Brokers that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to this Lease and as to the use, nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or with respect to any default or breach hereof by either Party.

23. **Notices.**

23.1 **Notice Requirements.** All notices required or permitted by this Lease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission or by email, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. The addresses noted adjacent to a Party's signature on this Lease shall be that Party's address for delivery or mailing of notices. Either Party may by written notice to the other specify a different address for notice, except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's address for notice. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing.

23.2 **Date of Notice.** Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 72 hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantees next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices delivered by hand, or transmitted by facsimile transmission or by email shall be deemed delivered upon actual receipt. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

24. **Waivers.**

(a) No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent.

(b) The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of monies or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

(c) THE PARTIES AGREE THAT THE TERMS OF THIS LEASE SHALL GOVERN WITH REGARD TO ALL MATTERS RELATED THERETO AND HEREBY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE TO THE EXTENT THAT SUCH STATUTE IS INCONSISTENT WITH THIS LEASE.

25. **Disclosures Regarding The Nature of a Real Estate Agency Relationship.**

(a) When entering into a discussion with a real estate agent regarding a real estate transaction, a Lessor or Lessee should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction. Lessor and Lessee acknowledge being advised by the Brokers in this transaction, as follows:

(i) *Lessor's Agent.* A Lessor's agent under a listing agreement with the Lessor acts as the agent for the Lessor only. A Lessor's agent or subagent has the following affirmative obligations: *To the Lessor*: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessor. *To the Lessee and the Lessor*: a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(ii) *Lessee's Agent.* An agent can agree to act as agent for the Lessee only. In these situations, the agent is not the Lessor's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Lessor. An agent acting only for a Lessee has the following affirmative obligations. *To the Lessee*: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessee. *To the Lessee and the Lessor*: a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the

34. **Signs**. Lessor may place on the Premises ordinary "For Sale" signs at any time and ordinary "For Lease" signs during the last 6 months of the term hereof. Except for ordinary "For Sublease" signs which may be placed only on the Premises, Lessee shall not place any sign upon the Project without Lessor's prior written consent. All signs must comply with all Applicable Requirements.

35. **Termination; Merger**. Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all existing subtenancies. Lessor's failure within 10 days following any such event to elect to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

36. **Consents**. Except as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. Lessor's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent, including but not limited to consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee upon receipt of an invoice and supporting documentation therefor. Lessor's consent to any act, assignment or subletting shall not constitute an acknowledgment that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. The failure to specify herein any particular condition to Lessor's consent shall not preclude the imposition by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. In the event that either Party disagrees with any determination made by the other hereunder and reasonably requests the reasons for such determination, the determining party shall furnish its reasons in writing and in reasonable detail within 10 business days following such request.

37. **Guarantor**.

37.1 **Execution**. The Guarantors, if any, shall each execute a guaranty in the form most recently published by the AIR Commercial Real Estate Association.

37.2 **Default**. It shall constitute a Default of the Lessee if any Guarantor fails or refuses, upon request to provide: (a) evidence of the execution of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor, and in the case of a corporate Guarantor, a certified copy of a resolution of its board of directors authorizing the making of such guaranty, (b) current financial statements, (c) an Estoppel Certificate, or (d) written confirmation that the guaranty is still in effect.

38. **Quiet Possession**. Subject to payment by Lessee of the Rent and performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession and quiet enjoyment of the Premises during the term hereof.

39. **Options**. If Lessee is granted any option, as defined below, then the following provisions shall apply.

39.1 **Definition. "Option"** shall mean: (a) the right to extend or reduce the term of or renew this Lease or to extend or reduce the term of or renew any lease that Lessee has on other property of Lessor; (b) the right of first refusal or first offer to lease either the Premises or other property of Lessor; (c) the right to purchase, the right of first offer to purchase or the right of first refusal to purchase the Premises or other property of Lessor.

39.2 **Options Personal To Original Lessee**. Any Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and, if requested by Lessor, with Lessee certifying that Lessee has no intention of thereafter assigning or subletting.

39.3 **Multiple Options**. In the event that Lessee has any multiple Options to extend or renew this Lease, a later Option cannot be exercised unless the prior Options have been validly exercised.

39.4 **Effect of Default on Options**.

(a) Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid (without regard to whether notice thereof is given Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given 3 or more notices of separate Default, whether or not the Defaults are cured, during the 12 month period immediately preceding the exercise of the Option.

(b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's inability to exercise an Option because of the provisions of Paragraph 39.4(a).

(c) An Option shall terminate and be of no further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term or completion of the purchase, (i) Lessee fails to pay Rent for a period of 30 days after such Rent becomes due (without any necessity of Lessor to give notice thereof), or (ii) if Lessee commits a Breach of this Lease.

40. **Security Measures**. Lessee hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties.

41. **Reservations**. Lessor reserves the right: (i) to grant, without the consent or joinder of Lessee, such easements, rights and dedications that Lessor deems necessary, (ii) to cause the recordation of parcel maps and restrictions, and (iii) to create and/or install new utility raceways, so long as such easements, rights, dedications, maps, restrictions, and utility raceways do not unreasonably interfere with the use of the Premises by Lessee. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate such rights.

42. **Performance Under Protest**. If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay. A Party who does not initiate suit for the recovery of sums paid "under protest" within 6 months shall be deemed to have waived its right to protest such payment.

43. **Authority.; Multiple Parties; Execution**.

(a) If either Party hereto is a corporation, trust, limited liability company, partnership, or similar entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each Party shall, within 30 days after request, deliver to the other Party satisfactory evidence of such authority.

(b) If this Lease is executed by more than one person or entity as "Lessee", each such person or entity shall be jointly and severally liable hereunder. It is agreed that any one of the named Lessees shall be empowered to execute any amendment to this Lease, or other document ancillary thereto and bind all of the named Lessees, and Lessor may rely on the same as if all of the named Lessees had executed such document.

(c) This Lease may be executed by the Parties in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

44. **Conflict**. Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

45. **Offer**. Preparation of this Lease by either party or their agent and submission of same to the other Party shall not be deemed an offer to

lease to the other Party. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

46. **Amendments**. This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification. As long as they do not materially change Lessee's obligations hereunder, Lessee agrees to make such reasonable non-monetary modifications to this Lease as may be reasonably required by a Lender in connection with the obtaining of normal financing or refinancing of the Premises.

47. **Waiver of Jury Trial**. **THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS AGREEMENT.**

48. **Arbitration of Disputes**. An Addendum requiring the Arbitration of all disputes between the Parties and/or Brokers arising out of this Lease ☐ is ☐ is not attached to this Lease.

49. **Accessibility; Americans with Disabilities Act**.

(a) The Premises: ☐ have not undergone an inspection by a Certified Access Specialist (CASp). ☐ have undergone an inspection by a Certified Access Specialist (CASp) and it was determined that the Premises met all applicable construction-related accessibility standards pursuant to California Civil Code §55.51 et seq. ☐ have undergone an inspection by a Certified Access Specialist (CASp) and it was determined that the Premises did not meet all applicable construction-related accessibility standards pursuant to California Civil Code §55.51 et seq.

(b) Since compliance with the Americans with Disabilities Act (ADA) is dependent upon Lessee's specific use of the Premises, Lessor makes no warranty or representation as to whether or not the Premises comply with ADA or any similar legislation. In the event that Lessee's use of the Premises requires modifications or additions to the Premises in order to be in ADA compliance, Lessee agrees to make any such necessary modifications and/or additions at Lessee's expense.

**LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALLY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.**

**ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE AIR COMMERCIAL REAL ESTATE ASSOCIATION OR BY ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:**

**1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.**

**2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PREMISES. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING OF THE PREMISES, THE STRUCTURAL INTEGRITY, THE CONDITION OF THE ROOF AND OPERATING SYSTEMS, COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT AND THE SUITABILITY OF THE PREMISES FOR LESSEE'S INTENDED USE.**

**WARNING: IF THE PREMISES ARE LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THE LEASE MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PREMISES ARE LOCATED.**

The parties hereto have executed this Lease at the place and on the dates specified above their respective signatures.

| | |
|---|---|
| Executed at: | Executed at: |
| On: | On: |
| **By LESSOR:** | **By LESSEE:** |
| Roberts Business Park Santa Monica, LLC A California Limited Liability Company | Super League Gaming, Inc |
| By: | By: |
| Name Printed: Robert Blumenfield | Name Printed: Ann Hand |
| Title: | Title: CEO |
| By: | By: |
| Name Printed: | Name Printed: |
| Title: | Title: |
| Address: | Address: |
| Telephone:(___) | Telephone:(___) |
| Facsimile:(___) | Facsimile:(___) |
| Email: | Email: |
| Email: | Email: |
| Federal ID No. | Federal ID No. |

| BROKER: | BROKER: |
| --- | --- |
| Att: | Att: |
| Title: | Title: |
| Address: | Address: |
| Telephone:(___ ) | Telephone: (___ ) |
| Facsimile:(___ ) | Facsimile:(___ ) |
| Email: | Email: |
| Federal ID No. | Federal ID No. |
| Broker/Agent BRE License #: | Broker/Agent BRE License #: |

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 500 N Brand Blvd, Suite 900, Glendale, CA 91203. Telephone No. (213) 687-8777. Fax No.: (213) 687-8616.

# OPTION(S) TO EXTEND
## STANDARD LEASE ADDENDUM

**Dated** June 1,2016

**By and Between (Lessor)** Roberts Business Park Santa Monica,LLC, A California Limited Liability Company

**By and Between (Lessee)** Super League Gaming Inc.

**Address of Premises:** 2906 Colorado Avenue, Santa Monica, Ca 90404

Paragraph 50.

A. **OPTION(S) TO EXTEND:**
Lessor hereby grants to Lessee the option to extend the term of this Lease for One (1) additional Twelve (12) month period(s) commencing when the prior term expires upon each and all of the following terms and conditions:

(i) In order to exercise an option to extend, Lessee must give written notice of such election to Lessor and Lessor must receive the same at least 4 but not more than 6 months prior to the date that the option period would commence, time being of the essence. If proper notification of the exercise of an option is not given and/or received, such option shall automatically expire. Options (if there are more than one) may only be exercised consecutively.

(ii) The provisions of paragraph 39, including those relating to Lessee's Default set forth in paragraph 39.4 of this Lease, are conditions of this Option.

(iii) Except for the provisions of this Lease granting an option or options to extend the term, all of the terms and conditions of this Lease except where specifically modified by this option shall apply.

(iv) This Option is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and without the intention of thereafter assigning or subletting.

(v) The monthly rent for each month of the option period shall be calculated as follows, using the method(s) indicated below:
(Check Method(s) to be Used and Fill in Appropriately)

~~☐ I. Cost of Living Adjustment(s) (COLA)~~

~~a. On (Fill in COLA Dates):~~

~~the Base Rent shall be adjusted by the change, if any, from the Base Month specified below, in the Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for (select one): ☐ CPI W (Urban Wage Earners and Clerical Workers) or ☐ CPI U (All Urban Consumers), for (Fill in Urban Area):~~

~~All Items (1982-1984 = 100), herein referred to as "CPI".~~

~~b. The monthly Base Rent payable in accordance with paragraph A.I.a. of this Addendum shall be calculated as follows: the Base Rent set forth in paragraph 1.5 of the attached Lease, shall be multiplied by a fraction the numerator of which shall be the CPI of the calendar month 2 months prior to the month(s) specified in paragraph A.I.a. above during which the adjustment is to take effect, and the denominator of which shall be the CPI of the calendar month which is 2 months prior to (select one): ☐ the first month of the term of this Lease as set forth in paragraph 1.3 ("Base Month") or ☐ (Fill in Other "Base Month"):~~

~~The sum so calculated shall constitute the new monthly Base Rent hereunder, but in no event, shall any such new monthly Base Rent be less than the Base Rent payable for the month immediately preceding the rent adjustment.~~

~~c. In the event the compilation and/or publication of the CPI shall be transferred to any other governmental department or bureau or agency or shall be discontinued, then the index most nearly the same as the CPI shall be used to make such calculation. In the event that the Parties cannot agree on such alternative index, then the matter shall be submitted for decision to the American Arbitration Association in accordance with the then rules of said Association and the decision of the arbitrators shall be binding upon the parties. The cost of said Arbitration shall be paid equally by the Parties.~~

~~☐ II. Market Rental Value Adjustment(s) (MRV)~~

~~a. On (Fill in MRV Adjustment Date(s)):~~

~~the Base Rent shall be adjusted to the "Market Rental Value" of the property as follows:~~

~~1) Four months prior to each Market Rental Value Adjustment Date described above, the Parties shall attempt to agree upon what the new MRV will be on the adjustment date. If agreement cannot be reached, within thirty days, then:~~

~~(a) Lessor and Lessee shall immediately appoint a mutually acceptable appraiser or broker to establish the new MRV within the next 30 days. Any associated costs will be split equally between the Parties, or~~

~~(b) Both Lessor and Lessee shall each immediately make a reasonable determination of the MRV and submit such determination, in~~



INITIALS INITIALS

writing, to arbitration in accordance with the following provisions:

(i) Within 15 days thereafter, Lessor and Lessee shall each select an independent third party ☐ appraiser or ☐ broker ("**Consultant**" - check one) of their choice to act as an arbitrator (Note: the parties may not select either of the Brokers that was involved in negotiating the Lease). The two arbitrators so appointed shall immediately select a third mutually acceptable Consultant to act as a third arbitrator.

(ii) The 3 arbitrators shall within 30 days of the appointment of the third arbitrator reach a decision as to what the actual MRV for the Premises is, and whether Lessor's or Lessee's submitted MRV is the closest thereto. The decision of a majority of the arbitrators shall be binding on the Parties. The submitted MRV which is determined to be the closest to the actual MRV shall thereafter be used by the Parties.

(iii) if either of the Parties fails to appoint an arbitrator within the specified 15 days, the arbitrator timely appointed by one of them shall reach a decision on his or her own, and said decision shall be binding on the Parties.

(iv) The entire cost of such arbitration shall be paid by the party whose submitted MRV is not selected, ie. the one that is NOT the closest to the actual MRV.

2) When determining MRV, the Lessor, Lessee and Consultants shall consider the terms of comparable market transactions which shall include, but not limited to, rent, rental adjustments, abated rent, lease term and financial condition of tenants.

3) Notwithstanding the foregoing, the new Base Rent shall not be less than the rent payable for the month immediately preceding the rent adjustment.

b. Upon the establishment of each New Market Rental Value:

1) the new MRV will become the new "Base Rent" for the purpose of calculating any further Adjustments, and

2) the first month of each Market Rental Value term shall become the new "Base Month" for the purpose of calculating any further Adjustments.

☐ **III. Fixed Rental Adjustment(s) (FRA)**

The Base Rent shall be increased to the following amounts on the dates set forth below:

| On (Fill in FRA Adjustment Date(s)): | The New Base Rent shall be: |
|---|---|
| June 1st, 2017 | $14,687.00 |
| | |
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| | |
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| | |

☐ **IV. Initial Term Adjustments.**

The formula used to calculate adjustments to the Base Rate during the original Term of the Lease shall continue to be used during the extended term.

**B. NOTICE:**

Unless specified otherwise herein, notice of any rental adjustments, other than Fixed Rental Adjustments, shall be made as specified in paragraph 23 of the Lease.

**C. BROKER'S FEE:**

The Brokers shall be paid a Brokerage Fee for each adjustment specified above in accordance with paragraph 15 of the Lease or if applicable, paragraph 9 of the Sublease.

**NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 500 N Brand Blvd, Suite 900, Glendale, CA 91203. Telephone No. (213) 687-8777. Fax No.: (213) 687-8616.**

**Exhibit 10.11**

**SUPER LEAGUE GAMING, INC.**

**COMMON STOCK PURCHASE AGREEMENT**

This Common Stock Purchase Agreement (this "***Agreement***") is made as of _____ by and among Super League Gaming, Inc., a Delaware corporation (the "***Company***"), and the investors listed on Exhibit A attached to this Agreement (each a "***Purchaser***" and together the "***Purchasers***").

The parties hereby agree as follows:

1. Purchase and Sale of Common Stock.

1.1 Sale and Issuance of Common Stock.

(a) The Company shall adopt and file with the Secretary of State of the State of Delaware on or before the Initial Closing (as defined below) the Amended and Restated Certificate of Incorporation in the form of Exhibit B attached to this Agreement (the "***Restated Certificate***").

(b) Subject to the terms and conditions of this Agreement, each Purchaser agrees, severally and not jointly, to purchase at the Closing (as defined below), and the Company agrees to sell and issue to such Purchaser at such Closing, that number of shares of Common Stock, $0.001 par value per share (the "***Common Stock***"), set forth opposite such Purchaser's name on Exhibit A with respect to such Closing, at a purchase price of $3.60 per share (as adjusted for any stock dividend, stock split, combination or similar recapitalization, the "***Original Issue Price***"). The shares of Common Stock issued to the Purchasers pursuant to this Agreement (including any shares issued at the Initial Closing and any Additional Shares (as defined below) issued at Subsequent Closings (as defined below)) shall be referred to in this Agreement as the "***Shares***." The Company is authorized to sell and issue up to 4,166,667 Shares pursuant to this Agreement.

1.2 Closings; Delivery.

(a) The purchase, sale and issuance of the Shares shall take place at one or more closings (each of which is referred to in this Agreement as a "***Closing***"). The initial Closing (the "***Initial Closing***") shall take place remotely via the exchange of documents and signatures on the date hereof, or at such other time and place as the Company and the Purchasers representing a majority of the Shares to be sold in the Initial Closing mutually agree upon, orally or in writing.

(b) If less than all of the Shares are sold and issued at the Initial Closing, then the Company may sell and issue at one or more subsequent Closings (each a "***Subsequent Closing***"), on the same terms and conditions as those contained in this Agreement, up to the balance of the unissued Shares (the "***Additional Shares***") to one or more Persons (as defined below) as may be approved by the Company in its sole discretion (the "***Additional Purchasers***"), provided that (i) such Subsequent Closing is consummated within ninety (90) days after the Initial Closing and (ii) each Additional Purchaser shall become a party to, and bound by, each of the Transaction Agreements (as defined below), in each case as of the date of such Subsequent Closing, by executing and delivering a counterpart signature page to each of the Transaction Agreements. Exhibit A to this Agreement shall be updated to reflect each Additional Purchaser and the number of Additional Shares purchased, or to be purchased, by each Additional Purchaser at each applicable Subsequent Closing, and each such Additional Purchaser shall be deemed a Purchaser for all purposes under this Agreement as of the date of such Subsequent Closing.

(c) At each Closing, the Company shall deliver to each Purchaser participating in such Closing a certificate representing the Shares being purchased by such Purchaser at such Closing against payment of the purchase price therefor by wire transfer to a bank account designated by the Company, by check payable to the Company, or by any combination of such methods.

1.3 Use of Proceeds.In accordance with the directions of the Board (as defined below), the Company will use the proceeds from the sale of the Shares for working capital and other general corporate purposes. None of the proceeds will be used to reduce any indebtedness outstanding as of the date of this Agreement (other than regularly scheduled payments pursuant to agreements in effect as of the date hereof, if any) or to make any dividend or distributions to any stockholders or Affiliates of the Company.

1.4 Defined Terms Used in this Agreement. In addition to the terms defined elsewhere in this Agreement, the following terms used in this Agreement shall be construed to have the meanings set forth or referenced below.

(a) "***Affiliate***" means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by or is under common control with such Person, including, without limitation, any general partner, managing member, officer or director of such Person, or such Person's principal, or any venture capital fund, financial investment firm or collective investment vehicle now or hereafter existing that is controlled by one or more general partners or managing members (or any affiliates thereof, which shall include any series or cell of a general partner or managing member that is structured as a series limited liability company) of, or shares the same management company with, such Person. For purposes of this definition, the terms "controlling," "controlled by," or "under common control with" shall mean the possession, directly or indirectly, of (i) the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise, or (ii) the power to elect or appoint at least 50% of the directors, managers, general partners, or Persons exercising similar authority with respect to such Person. For the avoidance of doubt, an "Affiliate" of a specified Person shall include (x) such Person's partners, members, stockholders, other equity owners, officers, directors, managers, former or retired partners, former or retired members, former or retired stockholders, former or retired other equity owners, and the estate of any of the foregoing and (y) a parent or subsidiary of a Person that is an entity

(b) "***Board***" means the board of directors of the Company.

(c) "***Code***" means the Internal Revenue Code of 1986, as amended.

(d) "***Company Covered Person***" means, with respect to the Company as an "issuer" for purposes of Rule 506 promulgated under the Securities Act, any Person listed in the first paragraph of Rule 506(d)(1).

(e) "***Company Intellectual Property***" means all patents, patent applications, trademarks, trademark applications, service marks, service mark applications, tradenames, copyrights, trade secrets, domain names, mask works, information and proprietary rights and processes, similar or other intellectual property rights, subject matter of any of the foregoing, tangible embodiments of any of the foregoing, licenses in, to and under any of the foregoing, and any and all such cases as are necessary to the Company in the conduct of the Company's business as now conducted and as presently proposed to be conducted.

(f) "***Investors' Rights Agreement***" means the agreement among the Company and the Purchasers dated as of the date of the Initial Closing, in the form of **Exhibit D** attached to this Agreement.

(g) "***Key Employee***" means any executive-level employee (including division director and vice president-level positions) as well as any employee or consultant who either alone or in concert with others develops, invents, programs or designs any Company Intellectual Property.

(h) "***Knowledge***" including the phrase "***to the Company's knowledge***" shall mean the actual knowledge, after reasonable investigation, of Ann Hand and David Steigelfest.

(i) "***Material Adverse Effect***" means a material adverse effect on the business, assets (including intangible assets), liabilities, financial condition, property, prospects, or results of operations of the Company.

(j) "***Person***" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

(k) "***Securities Act***" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

(l) "***Toba***" means Toba Capital Ventures Series, a series of Toba Capital LLC, a Delaware limited liability company.

(m) "***Transaction Agreements***" means this Agreement and the Investors' Rights Agreement.

2. Representations and Warranties of the Company. A Disclosure Schedule, attached as Exhibit C to this Agreement (each a "***Disclosure Schedule***"), shall be delivered to the Purchasers in connection with each Closing. Except as set forth on the Disclosure Schedule delivered to the Purchasers at the applicable Closing, which exceptions shall be deemed to be part of the representations and warranties made hereunder, the Company hereby represents and warrants to the Purchasers that the following representations are true and complete. The Disclosure Schedule shall be arranged in sections corresponding to the numbered and lettered sections contained in this Section 2, and the disclosures in any section of the Disclosure Schedule shall qualify other sections in this Section 2 only to the extent it is readily apparent from a reading of the disclosure that such disclosure is applicable to such other sections.

2.1 Organization, Good Standing, Corporate Power and Qualification. . The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has all requisite corporate power and authority to carry on its business as presently conducted and as proposed to be conducted. The Company is duly qualified to transact business and is in good standing in each jurisdiction in which the failure to so qualify would have a Material Adverse Effect.

2.2 Capitalization.

(a) The authorized capital of the Company consists, immediately prior to the Initial Closing, of 50,000,000 shares of Common Stock, $0.001 par value. Immediately prior to the Initial Closing, there are 8,099,279 shares of Common Stock issued and outstanding. All of the outstanding shares of Common Stock have been duly authorized, are fully paid and nonassessable and were issued in compliance with all applicable federal and state securities laws. Simultaneous with the Initial Closing, 1,551,485 shares of Common Stock will be issued upon the automatic conversion of certain zero coupon unsecured convertible promissory notes previously issued by the Company in the collective original principal amount of $5,050,000. The Company holds no Common Stock in its treasury.

(b) The Company has reserved 3,000,000 shares of Common Stock for issuance to officers, directors, employees, consultants and other service providers of the Company pursuant to its 2014 Stock Option and Incentive Plan (the "***2014 Plan***"), duly adopted by the Board and approved by the Company stockholders. Of such reserved shares of Common Stock under the 2014 Plan, (i) zero shares have been issued pursuant to restricted stock purchase agreements, options to purchase 2,658,493 shares have been granted and are currently outstanding, 70,000 shares have been issued pursuant to stock option exercises, and 271,507 shares of Common Stock remain available for issuance to officers, directors, employees, consultants and other service providers of the Company pursuant to the 2014 Plan. The Company has furnished to the Purchasers complete and accurate copies of the 2014 Plan and forms of agreements used thereunder.

(c) Section 2.2(c) of the Disclosure Schedule sets forth the capitalization of the Company immediately following the Initial Closing including the number of shares of the following: (i) issued and outstanding Common Stock, including, with respect to restricted Common Stock, vesting schedule and repurchase price; (ii) granted stock options, including vesting schedule and exercise price; (iii) shares of Common Stock reserved for future award grants under the Stock Plans; and (iv) warrants or other rights to purchase any of the Company's authorized and unissued capital stock. Except for (A) the rights provided in Section 4 of the Investors' Rights Agreement, and (B) the securities and rights described in Section 2.2, of this Agreement and Section 2.2(c) of the Disclosure Schedule, there are no outstanding options, warrants, rights (including conversion or preemptive rights and rights of first refusal or similar rights) or agreements, orally or in writing, to purchase or acquire from the Company any shares of Common Stock, or any securities convertible into or exchangeable for shares of Common Stock.

(d) The Company has never adjusted or amended the exercise price of any stock options previously awarded, whether through amendment, cancellation, replacement grant, repricing, or any other means.

2.3 Subsidiaries. . The Company does not currently own or control, directly or indirectly, any interest in any other corporation, partnership, trust, joint venture, limited liability company, association, or other business entity. The Company is not a participant in any joint venture, partnership or similar arrangement, other than license agreements with third parties in the ordinary course and scope of the Company's business.

2.4 Authorization. . All corporate action required to be taken by the Board and stockholders in order to authorize the Company to enter into the Transaction Agreements, and to issue the Shares at each Closing, has been taken or will be taken prior to the Initial Closing. All action on the part of the officers of the Company necessary for the execution and delivery of the Transaction Agreements, the performance of all obligations of the Company under the Transaction Agreements to be performed as of the Closing has been taken or will be taken prior to such Closing. The Transaction Agreements, when executed and delivered by the Company, shall constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their respective terms except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other laws of general application relating to or affecting the enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies, or (iii) to the extent the indemnification provisions contained in the Investors' Rights Agreement may be limited by applicable federal or state securities laws.

2.5 Valid Issuance of Shares.

(a) The Shares, when issued, sold and delivered in accordance with the terms and for the consideration set forth in this Agreement, will be validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer under the Transaction Agreements, applicable state and federal securities laws and liens or encumbrances created by or imposed by a Purchaser. Assuming the accuracy of the representations of the Purchasers in Section 3 of this Agreement and subject to the filings described in Section 2.6 below, the Shares will be issued in compliance with all applicable federal and state securities laws.

(b) No "bad actor" disqualifying event described in Rule 506(d)(1)(i)-(viii) of the Securities Act (a "***Disqualification Event***") is applicable to the Company or, to the Company's knowledge, any Company Covered Person, except for a Disqualification Event as to which Rule 506(d)(2)(ii–iv) or (d)(3), is applicable. The Company has exercised reasonable care, in accordance with SEC rules and guidance, to determine whether any Company Covered Person is subject to any Disqualification Event. The Company has complied, to the extent applicable, with any disclosure obligations under Rule 506(e) under the Securities Act.

2.6 Governmental Consents and Filings. Assuming the accuracy of the representations made by the Purchasers in Section 3 of this Agreement, no consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any federal, state or local governmental authority is required on the part of the Company in connection with the consummation of the transactions contemplated by this Agreement, except for (i) the filing of the Restated Certificate, which will have been filed as of the Initial Closing, and (ii) filings pursuant to Regulation D of the Securities Act, and applicable state securities laws, which will be made in a timely manner.

2.7 Litigation. There is no claim, action, suit, proceeding, arbitration, complaint, charge or investigation pending or, to the Company's knowledge, currently threatened (i) against the Company or any officer, director or Key Employee of the Company; or (ii) that questions the validity of the Transaction Agreements or the right of the Company to enter into them, or to consummate the transactions contemplated by the Transaction Agreements; or (iii) to the Company's knowledge, that would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect. Neither the Company nor, to the Company's knowledge, any of its officers, directors or Key Employees is a party or is named as subject to the provisions of any order, writ, injunction, judgment or decree of any court or government agency or instrumentality (in the case of officers, directors or Key Employees, such as would affect the Company). There is no action, suit, proceeding or investigation by the Company pending or which the Company intends to initiate. The foregoing includes, without limitation, actions, suits, proceedings or investigations pending or threatened in writing (or any basis therefor known to the Company) involving the prior employment of any of the Company's employees, their services provided in connection with the Company's business, any information or techniques allegedly proprietary to any of their former employers or their obligations under any agreements with prior employers.

2.8 Intellectual Property. The Company owns or possesses sufficient legal rights to all Company Intellectual Property without (i) any conflict with, or infringement of, the rights of others, other than the rights of third parties in, to and under third-party patents and patent applications ("***Third-Party Patent Rights***"), and (ii) to the knowledge of the Company, any conflict with, or infringement of, any Third-Party Patent Rights. No product or service marketed or sold (or proposed to be marketed or sold) by the Company violates or will violate any license or infringes or will infringe (x) any intellectual property rights of any other party other than Third-Party Patent Rights and (y) to the knowledge of the Company, any Third-Party Patent Rights. Other than with respect to commercially available software products under standard end-user object code license agreements, there are no outstanding options, licenses, agreements, claims, encumbrances or shared ownership interests of any kind relating to the Company Intellectual Property, nor is the Company bound by or a party to any options, licenses or agreements of any kind with respect to the patents, trademarks, service marks, trade names, copyrights, trade secrets, licenses, information, proprietary rights and processes of any other Person. The Company is not aware of any violation by a third party of any Company Intellectual Property, and the Company has not received any communications alleging that the Company has violated or, by conducting its business, would violate any of the patents, trademarks, service marks, tradenames, copyrights, trade secrets, mask works or other proprietary rights or processes of any other Person. The Company has obtained and possesses valid licenses to use all of the software programs present on the computers and other software-enabled electronic devices that it owns or leases or that it has otherwise provided to its employees for their use in connection with the Company's business. It will not be necessary to use any inventions of any of its employees or consultants (or Persons it currently intends to hire) made prior to their employment by the Company. Each employee and consultant has assigned to the Company all intellectual property rights he or she owns that are related to the Company's business as now conducted and as presently proposed to be conducted. Section 2.8 of the Disclosure Schedule lists all Company patents, patent applications, trademarks, trademark applications, service marks, service mark applications, tradenames, domain names, copyrights, and licenses to and under any of the foregoing. The Company has not embedded, used or distributed any open source, copyleft or community source code (including, but not limited to, any libraries or code, software, technologies or other materials that are licensed or distributed under any General Public License, Lesser General Public License or similar license arrangement or other distribution model described by the Open Source Initiative at www.opensource.org) (collectively "***Open Source Software***") in, or in connection with, any of its products or services that are generally available or in development in any manner that would materially restrict the ability of the Company to protect its proprietary interests in any such product or service or in any manner that would (i) require, or purport to require, any Company Intellectual Property (other than the Open Source Software itself) to be disclosed or distributed in source code form, or to be licensed for the purpose of making derivative works; (ii) restrict, or purport to restrict, the consideration that could be charged for the distribution or use of any Company Intellectual Property, or otherwise limit, or purport to limit, the use of any Company Intellectual Property for commercial purposes; (iii) create, or purport to create, any obligation on the Company with respect to any Company Intellectual Property owned by the Company, or otherwise grant, or purport to grant, to any third party any rights in or to, or immunities under, Company Intellectual Property owned by the Company; or (iv) impose, or purport to impose, any other limitation, restriction or condition on the right of the Company with respect to its use or distribution of any Company Intellectual Property. For purposes of this Section 2.8, the Company shall be deemed to have knowledge of a patent right if the Company has actual knowledge of the patent right or would be found to be on notice of such patent right as determined by reference to United States patent laws.

2.9 Compliance with Other Instruments. . The Company is not in violation or default (i) of any provisions of its Restated Certificate or Bylaws, (ii) of any instrument, judgment, order, writ or decree, (iii) under any note, indenture or mortgage, or (iv) under any lease, agreement, contract or purchase order to which it is a party or by which it is bound that is required to be listed on the Disclosure Schedule, or (v) to its knowledge, of any provision of federal or state statute, rule or regulation applicable to the Company, the violation of which would have a Material Adverse Effect. The execution, delivery and performance of the Transaction Agreements and the consummation of the transactions contemplated by the Transaction Agreements will not result in any such violation or be in conflict with or constitute, with or without the passage of time and giving of notice, either (i) a default under any such provision, instrument, judgment, order, writ, decree, contract or agreement; or (ii) an event which results in the creation of any lien, charge or encumbrance upon any assets of the Company or the suspension, revocation, forfeiture, or nonrenewal of any material permit or license applicable to the Company.

2.10 Agreements; Actions.

(a) Except for the Transaction Agreements, issued and outstanding employment agreements with executives of the Company, the existing real property lease agreement for the Company's headquarters located at 2906 Colorado Ave., Santa Monica, CA 90404, there are no agreements, understandings, instruments, contracts or proposed transactions to which the Company is a party or by which it is bound that involve (i) obligations (contingent or otherwise) of, or payments to, the Company in excess of $100,000, (ii) the license of any patent, copyright, trademark, trade secret or other proprietary right to or from the Company, (iii) the grant of rights to manufacture, produce, assemble, license, market, or sell its products to any other Person that limit the Company's exclusive right to develop, manufacture, assemble, distribute, market or sell its products, or (iv) indemnification by the Company with respect to infringements of proprietary rights.

(b) The Company has not (i) declared or paid any dividends, or authorized or made any distribution upon or with respect to any class or series of its capital stock, or (ii) sold, exchanged or otherwise disposed of any of its assets or rights, other than the sale of its inventory in the ordinary course of business.

(c) The Company is not a guarantor or indemnitor of any indebtedness of any other Person.

2.11 Certain Transactions.

(a) Other than (i) standard employee benefits generally made available to all employees, (ii) executive employment agreements for Ann Hand and David Steigelfest, (iii) standard director and officer indemnification agreements approved by the Board, and (iv) the purchase of shares of the Company's capital stock and the issuance of options and warrants to purchase shares of the Company's Common Stock, in each instance, approved in the written minutes of the Board (previously provided to the Purchasers or their counsel), there are no agreements, understandings or proposed transactions between the Company and any of its officers, directors, consultants or Key Employees, or any Affiliate thereof.

(b) The Company is not indebted, directly or indirectly, to any of its directors, officers or employees or to their respective spouses or children or to any Affiliate of any of the foregoing, other than in connection with expenses or advances of expenses incurred in the ordinary course of business or employee relocation expenses and for other customary employee benefits made generally available to all employees. None of the Company's directors, officers or employees, or any members of their immediate families, or any Affiliate of the foregoing are, directly or indirectly, indebted to the Company or, to the Company's knowledge, have any (i) material commercial, industrial, banking, consulting, legal, accounting, charitable or familial relationship with any of the Company's customers, suppliers, service providers, joint venture partners, licensees and competitors, (ii) direct or indirect ownership interest in any firm or corporation with which the Company is affiliated or with which the Company has a business relationship, or any firm or corporation which competes with the Company except that directors, officers or employees or stockholders of the Company may own stock in (but not exceeding two percent (2%) of the outstanding capital stock of) publicly traded companies that may compete with the Company or (iii) financial interest in any material contract with the Company.

2.12 Rights of Registration and Voting Rights. . Except as provided in the Investors' Rights Agreement, and in Section 2.12 of the Disclosure Schedule, the Company is not under any obligation to register under the Securities Act any of its currently outstanding securities or any securities issuable upon exercise or conversion of its currently outstanding securities. To the Company's knowledge, no stockholder of the Company has entered into any agreements with respect to the voting of capital shares of the Company.

2.13 Property.The property and assets that the Company owns are free and clear of all mortgages, deeds of trust, liens, loans and encumbrances, except for statutory liens for the payment of current taxes that are not yet delinquent and encumbrances and liens that arise in the ordinary course of business and do not materially impair the Company's ownership or use of such property or assets. With respect to the property and assets it leases, the Company is in compliance with such leases and, to its knowledge, holds a valid leasehold interest free of any liens, claims or encumbrances other than those of the lessors of such property or assets. The Company does not own any real property.

2.14 Financial Statements. The Company has delivered to each Purchaser its audited financial statements for the fiscal years ended December 31, 2014 and December 31, 2015 and its unaudited financial statements (including balance sheet, income statement and statement of stockholders equity) for the six months ended June 30, 2016 (collectively, the "***Financial Statements***"). The Financial Statements have been prepared in accordance with generally accepted accounting principles ("***GAAP***") applied on a consistent basis throughout the periods indicated, except that the Financial Statements may not contain all footnotes required by GAAP. The Financial Statements fairly present in all material respects the financial condition and operating results of the Company as of the dates, and for the periods, indicated therein, subject to normal year-end audit adjustments. Except as set forth in the Financial Statements, the Company has no material liabilities or obligations, contingent or otherwise, other than (i) liabilities incurred in the ordinary course of business subsequent to June 30, 2016; (ii) obligations under contracts and commitments incurred in the ordinary course of business; and (iii) liabilities and obligations of a type or nature not required under GAAP to be reflected in the Financial Statements, which, in all such cases, individually and in the aggregate would not have a Material Adverse Effect. The Company maintains and will continue to maintain a standard system of accounting established and administered in accordance with GAAP.

2.15 Changes. Since June 30, 2016, there has not been:

(a) any change in the assets, liabilities, financial condition or operating results of the Company, except changes in the ordinary course of business that have not caused, in the aggregate, a Material Adverse Effect;

(b) any damage, destruction or loss, whether or not covered by insurance, that would have a Material Adverse Effect;

(c) any waiver or compromise by the Company of a valuable right or of a material debt owed to it;

(d) any satisfaction or discharge of any lien, claim, or encumbrance or payment of any obligation by the Company, except in the ordinary course of business and the satisfaction or discharge of which would not have a Material Adverse Effect;

(e) any material change to a material contract or agreement by which the Company or any of its assets is bound or subject;

(f) any material change in any compensation arrangement or agreement with any employee, officer, director or stockholder;

(g) any resignation or termination of employment of any officer or Key Employee of the Company, other than the voluntary resignation of Brett Morris;

(h) any mortgage, pledge, transfer of a security interest in, or lien, created by the Company, with respect to any of its material properties or assets, except liens for taxes not yet due or payable and liens that arise in the ordinary course of business and do not materially impair the Company's ownership or use of such property or assets;

(i) any loans or guarantees made by the Company to or for the benefit of its employees, officers or directors, or any members of their immediate families, other than travel advances and other advances made in the ordinary course of its business;

(j) any declaration, setting aside or payment or other distribution in respect of any of the Company's capital stock, or any direct or indirect redemption, purchase, or other acquisition of any of such stock by the Company;

(k) any sale, assignment or transfer of any Company Intellectual Property that could reasonably be expected to result in a Material Adverse Effect;

(l) receipt of notice that there has been a loss of, or material order cancellation by, any major customer of the Company;

(m) to the Company's knowledge, any other event or condition of any character, other than events affecting the economy or the Company's industry generally, that could reasonably be expected to result in a Material Adverse Effect; or

(n) any arrangement or commitment by the Company to do any of the things described in this Subsection 2.15.

2.16 Employee Matters.

(a) As of the date hereof, the Company employs more than 20 full-time employees and less than five part-time employees and engages consultants or independent contractors. There are no current officers, employees, consultants or independent contractors of the Company who receive an annual salary of more than $300,000.

(b) To the Company's knowledge, none of its employees is obligated under any contract (including licenses, covenants or commitments of any nature) or other agreement, or subject to any judgment, decree or order of any court or administrative agency, that would materially interfere with such employee's ability to promote the interest of the Company or that would conflict with the Company's business. Neither the execution or delivery of the Transaction Agreements, nor the carrying on of the Company's business by the employees of the Company, nor the conduct of the Company's business as now conducted and as presently proposed to be conducted, will, to the Company's knowledge, conflict with or result in a breach of the terms, conditions, or provisions of, or constitute a default under, any contract, covenant or instrument under which any such employee is now obligated.

(c) The Company is not delinquent in payments to any of its employees, consultants, or independent contractors for any wages, salaries, commissions, bonuses, or other direct compensation for any service performed for it to the date hereof or amounts required to be reimbursed to such employees, consultants or independent contractors. The Company has complied in all material respects with all applicable state and federal equal employment opportunity laws and with other laws related to employment, including those related to wages, hours, worker classification and collective bargaining. The Company has withheld and paid to the appropriate governmental entity or is holding for payment not yet due to such governmental entity all amounts required to be withheld from employees of the Company and is not liable for any arrears of wages, taxes, penalties or other sums for failure to comply with any of the foregoing.

(d) To the Company's knowledge, no Key Employee intends to terminate employment with the Company or is otherwise likely to become unavailable to continue as a Key Employee, nor does the Company have a present intention to terminate the employment of any of the foregoing. The employment of each employee of the Company is terminable at the will of the Company, other than executives who have employment agreements with the Company.

(e) The Company has not made any representations regarding equity incentives to any officer, employee, director or consultant that are inconsistent with the share amounts and terms set forth in the minutes of meetings of the Board.

(f) Each former Key Employee whose employment was terminated by the Company has entered into an agreement with the Company providing for the full release of any claims against the Company or any related party arising out of such employment.

(g) Section 2.166(g) of the Disclosure Schedule sets forth each employee benefit plan maintained, established or sponsored by the Company, or which the Company participates in or contributes to, which is subject to the Employee Retirement Income Security Act of 1974, as amended ("***ERISA***"). The Company has made all required contributions and has no liability to any such employee benefit plan, other than liability for health plan continuation coverage described in Part 6 of Title I(B) of ERISA, and has complied in all material respects with all applicable laws for any such employee benefit plan.

(h) The Company is not bound by or subject to (and none of its assets or properties is bound by or subject to) any written or oral, express or implied, contract, commitment or arrangement with any labor union, and no labor union has requested or, to the knowledge of the Company, has sought to represent any of the employees, representatives or agents of the Company. There is no strike or other labor dispute involving the Company pending, or to the Company's knowledge, threatened, which could have a Material Adverse Effect, nor is the Company aware of any labor organization activity involving its employees.

(i) None of the Key Employees or officers or directors of the Company has been (i) subject to voluntary or involuntary petition under the federal bankruptcy laws or any state insolvency law or the appointment of a receiver, fiscal agent or similar officer by a court for his business or property; (ii) convicted in a criminal proceeding or named as a subject of a pending criminal proceeding (excluding traffic violations and other minor offenses); (iii) subject to any order, judgment or decree (not subsequently reversed, suspended, or vacated) of any court of competent jurisdiction permanently or temporarily enjoining him from engaging, or otherwise imposing limits or conditions on his engagement in any securities, investment advisory, banking, insurance, or other type of business or acting as an officer or director of a public company; or (iv) found by a court of competent jurisdiction in a civil action or by the Securities and Exchange Commission or the Commodity Futures Trading Commission to have violated any federal or state securities, commodities, or unfair trade practices law, which such judgment or finding has not been subsequently reversed, suspended, or vacated.

2.17 Tax Returns and Payments. There are no federal, state, county, local or foreign taxes due and payable by the Company which have not been timely paid. There are no accrued and unpaid federal, state, country, local or foreign taxes of the Company which are due, whether or not assessed or disputed. There have been no examinations or audits of any tax returns or reports by any applicable federal, state, local or foreign governmental agency. The Company has duly and timely filed all federal, state, county, local and foreign tax returns required to have been filed by it and there are in effect no waivers of applicable statutes of limitations with respect to taxes for any year.

2.18 Insurance. The Company has in full force and effect fire and casualty insurance policies with extended coverage, sufficient in amount (subject to reasonable deductions) to allow it to replace any of its properties that might be damaged or destroyed.

2.19 Employee Agreements. Each current and former employee, consultant and officer of the Company has executed an agreement with the Company regarding confidentiality and proprietary information substantially in the form or forms delivered to VLP Law Group LLP ("***VLP***"), counsel for Toba (the "***Confidential Information Agreements***"). No current or former Key Employee has excluded works or inventions from his or her assignment of inventions pursuant to such Key Employee's Confidential Information Agreement. Each current and former Key Employee has executed a non-solicitation agreement substantially in the form or forms delivered to VLP. The Company is not aware that any of its Key Employees is in violation of any agreement covered by this Section 2.199.

2.20 Permits. The Company has all franchises, permits, licenses and any similar authority necessary for the conduct of its business, the lack of which could reasonably be expected to have a Material Adverse Effect. The Company is not in default in any material respect under any of such franchises, permits, licenses or other similar authority.

2.21 Corporate Documents. The Restated Certificate and Bylaws of the Company are in the form provided to the Purchasers and VLP. The copy of the minute books of the Company provided to the Purchasers and VLP contains minutes of all meetings of directors and stockholders and all actions by written consent without a meeting by the directors and stockholders since the date of incorporation and accurately reflects in all material respects all actions by the directors (and any committee of directors) and stockholders with respect to all transactions referred to in such minutes.

2.22 Environmental and Safety Laws. (a) The Company is and has been in compliance with all Environmental Laws; (b) there has been no release or threatened release of any pollutant, contaminant or toxic or hazardous material, substance or waste or petroleum or any fraction thereof (each a "***Hazardous Substance***"), on, upon, into or from any site currently or heretofore owned, leased or otherwise used by the Company; (c) there have been no Hazardous Substances generated by the Company that have been disposed of or come to rest at any site that has been included in any published U.S. federal, state or local "superfund" site list or any other similar list of hazardous or toxic waste sites published by any governmental authority in the United States; and (d) there are no underground storage tanks located on, no polychlorinated biphenyls ("***PCBs***") or PCB-containing equipment used or stored on, and no hazardous waste as defined by the Resource Conservation and Recovery Act, as amended, stored on, any site owned or operated by the Company, except for the storage of hazardous waste in compliance with Environmental Laws. The Company has made available to the Purchasers true and complete copies of all material environmental records, reports, notifications, certificates of need, permits, pending permit applications, correspondence, engineering studies and environmental studies or assessments.

For purposes of this Section 2.22, "***Environmental Laws***" means any law, regulation, or other applicable requirement relating to (a) releases or threatened release of Hazardous Substance; (b) pollution or protection of employee health or safety, public health or the environment; or (c) the manufacture, handling, transport, use, treatment, storage, or disposal of Hazardous Substances.

2.23 Qualified Small Business Stock. As of and immediately following each Closing: (i) the Company will be an eligible corporation as defined in Section 1202(e)(4) of the Code, (ii) the Company will not have made purchases of its own stock described in Code Section 1202(c)(3)(B) during the one-year period preceding the Initial Closing, except for purchases that are disregarded for such purposes under Treasury Regulation Section 1.1202-2 and (iii) the Company's aggregate gross assets, as defined by Code Section 1202(d)(2), at no time between its incorporation and through the Initial Closing have exceeded $50 million, taking into account the assets of any corporations required to be aggregated with the Company in accordance with Code Section 1202(d)(3); *provided, however*, that in no event shall the Company be liable to the Purchasers or any other party for any damages arising from any subsequently proven or identified error in the Company's determination with respect to the applicability or interpretation of Code Section 1202, unless such determination shall have been given by the Company in a manner either grossly negligent or fraudulent.

2.24 Data Privacy. In connection with its collection, storage, transfer (including without limitation, any transfer across national borders) and/or use of any personally identifiable information from any individuals, including, without limitation, any customers, prospective customers, employees and/or other third parties (collectively, "***Personal Information***"), the Company is and has been in compliance with all applicable laws in all relevant jurisdictions, the Company's privacy policies, and the requirements of any contract or codes of conduct to which the Company is a party. The Company has commercially reasonable physical, technical, organizational and administrative security measures and policies in place to protect all Personal Information collected by it or on its behalf from and against unauthorized access, use and/or disclosure. The Company is and has been in compliance in all material respects with all laws relating to data loss, theft and breach of security notification obligations.

2.25 Disclosure. The Company has made available to the Purchasers all the information reasonably available to the Company that the Purchasers have requested for deciding whether to acquire the Shares, including certain of the Company's projections describing its proposed business plan (the "***Business Plan***"). No representation or warranty of the Company contained in this Agreement, as qualified by the Disclosure Schedule, and no certificate furnished or to be furnished to Purchasers at any Closing contains any untrue statement of a material fact or, to the Company's knowledge, omits to state a material fact necessary in order to make the statements contained herein or therein not misleading in light of the circumstances under which they were made. The Business Plan was prepared in good faith; however, the Company does not warrant that it will achieve any results projected in the Business Plan. It is understood that this representation is qualified by the fact that the Company has not delivered to the Purchasers, and has not been requested to deliver, a private placement or similar memorandum or any written disclosure of the types of information customarily furnished to purchasers of securities.

3. Representations and Warranties of the Purchasers. Each Purchaser hereby represents and warrants to the Company, severally and not jointly, that:

3.1 Authorization. The Purchaser has full power and authority to enter into the Transaction Agreements. The Transaction Agreements to which the Purchaser is a party, when executed and delivered by the Purchaser, will constitute valid and legally binding obligations of the Purchaser, enforceable in accordance with their terms, except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies, or (b) to the extent the indemnification provisions contained in the Investors' Rights Agreement may be limited by applicable federal or state securities laws.

3.2 Purchase Entirely for Own Account. This Agreement is made with the Purchaser in reliance upon the Purchaser's representation to the Company, which by the Purchaser's execution of this Agreement, the Purchaser hereby confirms, that the Shares to be acquired by the Purchaser will be acquired for investment for the Purchaser's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that the Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same in violation of applicable securities laws. By executing this Agreement, the Purchaser further represents that the Purchaser does not presently have any contract, undertaking, agreement or arrangement with any Person to sell, transfer or grant participations to such Person or to any third Person, with respect to any of the Shares. The Purchaser has not been formed for the specific purpose of acquiring the Shares.

3.3 Disclosure of Information. The Purchaser has had an opportunity to discuss the Company's business, management, financial affairs and the terms and conditions of the offering of the Shares with the Company's management and has had an opportunity to review the Company's facilities. The foregoing, however, does not limit or modify the representations and warranties of the Company in Section 2 of this Agreement or the right of the Purchasers to rely thereon.

3.4 Restricted Securities. The Purchaser understands that the Shares have not been, and will not be, registered under the Securities Act, by reason of a specific exemption from the registration provisions of the Securities Act which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of the Purchaser's representations as expressed herein. The Purchaser understands that the Shares are "restricted securities" under applicable U.S. federal and state securities laws and that, pursuant to these laws, the Purchaser must hold the Shares indefinitely unless they are registered with the Securities and Exchange Commission and qualified by state authorities, or an exemption from such registration and qualification requirements is available. The Purchaser acknowledges that the Company has no obligation to register or qualify the Shares for resale except as set forth in the Investors' Rights Agreement. The Purchaser further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Shares, and on requirements relating to the Company which are outside of the Purchaser's control, and which the Company is under no obligation and may not be able to satisfy.

3.5 No Public Market. The Purchaser understands that no public market now exists for the Shares, and that the Company has made no assurances that a public market will ever exist for the Shares.

3.6 Legends. The Purchaser understands that the Shares and any securities issued in respect of or exchange for the Shares, may be notated with one or all of the following legends:

"THE SHARES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH TRANSFER MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933, AS AMENDED."

(a) Any legend set forth in, or required by, the other Transaction Agreements.

(b) Any legend required by the securities laws of any state to the extent such laws are applicable to the Shares represented by the certificate, instrument, or book entry so legended.

3.7 Accredited Investor. The Purchaser is an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act.

3.8 No General Solicitation. Neither the Purchaser, nor any of its officers, directors, employees, agents, stockholders or partners has either directly or indirectly, including, through a broker or finder (a) engaged in any general solicitation, or (b) published any advertisement in connection with the offer and sale of the Shares.

3.9 Exculpation Among Purchasers. The Purchaser acknowledges that it is not relying upon any Person, other than the Company and its officers and directors, in making its investment or decision to invest in the Company. The Purchaser agrees that neither any Purchaser nor the respective controlling Persons, officers, directors, partners, agents, or employees of any Purchaser shall be liable to any other Purchaser for any action heretofore taken or omitted to be taken by any of them in connection with the purchase of the Shares.

3.10 Residence. If the Purchaser is an individual, then the Purchaser resides in the state or province identified in the address of the Purchaser set forth on Exhibit A; if the Purchaser is a partnership, corporation, limited liability company or other entity, then the office or offices of the Purchaser in which its principal place of business is identified in the address or addresses of the Purchaser set forth on Exhibit A.

4. Conditions to the Purchasers' Obligations at Closing. The obligations of each Purchaser to purchase Shares at any Closing are subject to the fulfillment, on or before such Closing, of each of the following conditions, unless otherwise waived by such Purchaser:

4.1 Representations and Warranties .

(a) With respect to the Initial Closing, except as set forth in or modified by the Disclosure Schedule delivered to the Purchasers at the Initial Closing, the representations and warranties of the Company contained in Section 2 shall be true and correct in all respects as of the date of the Initial Closing.

(b) With respect to any Subsequent Closing, except as set forth in or modified by the Disclosure Schedule delivered to the Purchasers at the Initial Closing (or, if necessary, an updated version of the Disclosure Schedule delivered to the Purchasers participating in such Subsequent Closing along with the certificate described in Section 4.3(b)), the representations and warranties made by the Company in Section 2 shall be true and correct in all material respects (without giving effect to any limitation as to "materiality" or Material Adverse Effect set forth therein) on and as of the date of such Subsequent Closing as though such representations and warranties were made on and as of such date (other than those representations and warranties of the Company contained in Section 2 made as of a specified date or made only with respect to a specified period of time, which need only be true and correct in all material respects (without giving effect to any limitation as to "materiality" or Material Adverse Effect set forth therein) as of such specified date or with respect to such specified period of time).

4.2 Performance. The Company shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by the Company on or before such Closing.

4.3 Compliance Certificate.

(a) With respect to the Initial Closing, the President of the Company shall deliver to the Purchasers participating in the Initial Closing a certificate certifying that the conditions specified in Sections 4.1(a) and 4.2 have been fulfilled.

(b) With respect to any Subsequent Closing, the President of the Company shall deliver to the Purchasers participating in such Subsequent Closing a certificate certifying that the conditions specified in Sections 4.1(b) and 4.2 have been fulfilled.

4.4 Qualifications. All authorizations, approvals or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance and sale of the Shares pursuant to this Agreement shall be obtained and effective as of such Closing.

4.5 Board of Directors. As of the Initial Closing, the authorized size of the Board shall be five (5), and the Board shall be comprised of Ann Hand, David Steigelfest, Jeff Gehl, Robert Stewart and John Miller.

4.6 Investors' Rights Agreement. The Company and each Purchaser shall have executed and delivered the Investors' Rights Agreement.

4.7 Restated Certificate. The Company shall have filed the Restated Certificate with the Secretary of State of Delaware on or prior to the Initial Closing, which shall continue to be in full force and effect as of each Closing.

4.8 Secretary's Certificate. The Secretary of the Company shall have delivered to the Purchasers at the Initial Closing a certificate certifying (i) the Bylaws of the Company, (ii) resolutions of the Board approving the Transaction Agreements and the transactions contemplated under the Transaction Agreements, and (iii) resolutions of the stockholders of the Company approving the Restated Certificate.

4.9 Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated at such Closing and all documents incident thereto shall be reasonably satisfactory in form and substance to each Purchaser, and each Purchaser (or its counsel) shall have received all such counterpart original and certified or other copies of such documents as reasonably requested. Such documents may include good standing certificates.

5. Conditions of the Company's Obligations at Closing. The obligations of the Company to sell Shares to the Purchasers at any Closing are subject to the fulfillment, on or before such Closing, of each of the following conditions, unless otherwise waived:

5.1 Representations and Warranties. The representations and warranties of each Purchaser contained in Section 3 shall be true and correct in all respects as of such Closing.

5.2 Performance. The Purchasers shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by them on or before such Closing.

5.3 Qualifications. All authorizations, approvals or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance and sale of the Shares pursuant to this Agreement shall be obtained and effective as of such Closing.

5.4 Investors' Rights Agreement. Each Purchaser shall have executed and delivered the Investors' Rights Agreement.

6. Miscellaneous.

6.1 Survival of Warranties. Unless otherwise set forth in this Agreement, the representations and warranties of the Company and the Purchasers contained in or made pursuant to this Agreement shall survive the execution and delivery of this Agreement and each Closing and shall in no way be affected by any investigation or knowledge of the subject matter thereof made by or on behalf of the Purchasers or the Company.

6.2 Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

6.3 Governing Law. This Agreement shall be governed by and construed under the internal laws of the State of Delaware, irrespective of conflict of law principles.

6.4 Counterparts. This Agreement may be executed and delivered by facsimile signature and in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.5 Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

6.6 Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt, or (a) personal delivery to the party to be notified, (b) when sent, if sent by electronic mail or facsimile during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) business day after deposit with a nationally recognized overnight courier, freight prepaid, specifying next business day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their address as set forth on the signature page or Exhibit A, or to such e-mail address, facsimile number or address as subsequently modified by written notice given in accordance with this Section 6.6. If notice is given to the Company, a copy shall also be sent to Gregory L Hrncir, Esq., General Counsel, Super League Gaming, Inc., 2906 Colorado Ave., Santa Monica, CA 90404, gregg@superleague.com, and if notice is given to Toba, a copy (which shall not constitute notice) shall also be given to Christopher E. La Chance, VLP Law Group LLP, 3126 Scott Street, Suite 1, San Francisco, CA 94123, clachance@vlplawgroup.com.

6.7 No Finder's Fees. Each party represents that it neither is nor will be obligated for any finder's fee or commission in connection with this transaction. Each Purchaser agrees to indemnify and to hold harmless the Company from any liability for any commission or compensation in the nature of a finder's or broker's fee arising out of this transaction (and the costs and expenses of defending against such liability or asserted liability) for which each Purchaser or any of its officers, employees or representatives is responsible. The Company agrees to indemnify and hold harmless each Purchaser from any liability for any commission or compensation in the nature of a finder's or broker's fee arising out of this transaction (and the costs and expenses of defending against such liability or asserted liability) for which the Company or any of its officers, employees or representatives is responsible.

6.8 Fees and Expenses. At the Initial Closing, the Company shall be obligated to pay the documented fees and expenses of VLP in an amount not to exceed, in the aggregate, $30,000 (such amount, the "***Reimbursable Fees***"; such obligation, the "***Reimbursement Obligation***"). In full satisfaction of the Company's Reimbursement Obligation, an amount equal to the Reimbursable Fees shall be deducted from, and set off against, the aggregate purchase price otherwise payable by Toba for the Shares purchased by Toba at the Initial Closing, and such deducted/set-off amount shall be treated for all purposes of this Agreement as having been paid to the Company for the Shares purchased by Toba at the Initial Closing. At the Initial Closing, the Company shall be furnished with a statement of the Reimbursable Fees.

6.9 Attorneys' Fees. If any action at law or in equity (including, arbitration) is necessary to enforce or interpret the terms of any of the Transaction Agreements, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

6.10 Amendments and Waivers. Any term of this Agreement may be amended, terminated or waived only with the written consent of the Company and (a) the holders of at least a majority of the then-outstanding Shares or (b) for an amendment, termination or waiver effected prior to the Initial Closing, Purchasers obligated to purchase at least a majority of the Shares to be issued at the Initial Closing. Notwithstanding the foregoing, Purchasers purchasing Additional Shares in a Subsequent Closing may become parties to this Agreement in accordance with Section 1.2(b) without any amendment of this Agreement pursuant to this paragraph or any consent or approval of any other Purchaser (other than any consent or approval explicitly required pursuant to Section 1.2(b)). Any amendment or waiver effected in accordance with this Section 6.10 shall be binding upon each Purchaser and each transferee of the Shares, each future holder of the Shares, and the Company.

6.11 Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

6.12 Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

6.13 Entire Agreement. This Agreement (including the Exhibits hereto), the Restated Certificate and the other Transaction Agreements constitute the full and entire understanding and agreement between the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties are expressly canceled.

6.14 Corporate Securities Law. THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF THE SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO THE QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM THE QUALIFICATION BY SECTION 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON THE QUALIFICATION BEING OBTAINED UNLESS THE SALE IS SO EXEMPT.

6.15 Dispute Resolution. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the federal and state courts located in Los Angeles County, California for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the federal and state courts located in Los Angeles County, California, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

WAIVER OF JURY TRIAL: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL

6.16 No Commitment for Additional Financing. The Company acknowledges and agrees that no Purchaser has made any representation, undertaking, commitment or agreement to provide or assist the Company in obtaining any financing, investment or other assistance, other than the purchase of the Shares as set forth herein and subject to the conditions set forth herein. In addition, the Company acknowledges and agrees that (a) no statements, whether written or oral, made by any Purchaser or its representatives on or after the date of this Agreement shall create an obligation, commitment or agreement to provide or assist the Company in obtaining any financing or investment, (b) the Company shall not rely on any such statement by any Purchaser or its representatives, and (c) an obligation, commitment or agreement to provide or assist the Company in obtaining any financing or investment may only be created by a written agreement, signed by such Purchaser and the Company, setting forth the terms and conditions of such financing or investment and stating that the parties intend for such writing to be a binding obligation or agreement. Each Purchaser shall have the right, in its sole and absolute discretion, to refuse or decline to participate in any other financing of or investment in the Company, and shall have no obligation to assist or cooperate with the Company in obtaining any financing, investment or other assistance.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed this Common Stock Purchase Agreement as of the date first written above.

**COMPANY:**

**SUPER LEAGUE GAMING, INC.**

By:

Ann Hand, CEO & President

Address:

2906 Colorado Ave.
Santa Monica, CA 90404

IN WITNESS WHEREOF, the parties have executed this Common Stock Purchase Agreement as of the date first written above.

**PURCHASER:**

By: _____

Name: _____

Title: _____

**EXHIBIT A**

**SCHEDULE OF PURCHASERS**

**Subsequent Closing Date: _____, 2017**

| **Name/Address/Phone/Email of Purchaser** | **Shares of Common Stock** | **Purchase Price** |
|---|---|---|
| _____ | _____ | $_____ |
| _____ | | |
| _____ | | |
| _____ | | |

**EXHIBIT B**

**FORM OF AMENDED AND RESTATED**

**CERTIFICATE OF INCORPORATION**

Exhibit B to Common Stock Purchase Agreement
Super League Gaming, Inc.

**AMENDED AND RESTATED**

**CERTIFICATE OF INCORPORATION**

**OF**

**SUPER LEAGUE GAMING, INC.**

(Pursuant to Sections 242 and 245 of the

General Corporation Law of the State of Delaware)

Super League Gaming, Inc., a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "**General Corporation Law**"),

**DOES HEREBY CERTIFY:**

1. That the name of this corporation is Super League Gaming, Inc., and that this corporation was originally incorporated pursuant to the General Corporation Law on October 1, 2014 under the name Nth Games, Inc.

2. That the Board of Directors duly adopted resolutions proposing to amend and restate the Certificate of Incorporation of this corporation, declaring said amendment and restatement to be advisable and in the best interests of this corporation and its stockholders, and authorizing the appropriate officers of this corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment and restatement is as follows:

**RESOLVED**, that the Certificate of Incorporation of this corporation be amended and restated in its entirety to read as follows:

**FIRST:** The name of this corporation is Super League Gaming, Inc. (the "**Corporation**").

**SECOND:** The address of the registered office of the Corporation in the State of Delaware is 2140 S. Dupont Highway, in the City of Camden, County of Kent, 19934. The name of its registered agent at such address is Corporation Service Company.

**THIRD:** The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law.

**FOURTH:** The total number of shares of all classes of stock which the Corporation shall have authority to issue is 50,000,000 shares of Common Stock, $0.001 par value per share ("**Common Stock**").

The following is a statement of the designations and the powers, privileges and rights, and the qualifications, limitations or restrictions thereof in respect of each class of capital stock of the Corporation.

A. COMMON STOCK

1. Voting. The holders of the Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings). There shall be no cumulative voting.

2. Dividends.

2.1 Dividends Generally. Any dividends declared or paid in any fiscal year shall be declared or paid among the holders of the Common Stock then outstanding, pro rata and pari passu based on the number of shares held by each such holder. The right to receive dividends on shares of Common Stock shall not be cumulative.

2.2 Non-Cash Distributions. Whenever a dividend provided for in this Section 2 shall be payable in property other than cash, the value of such dividend shall be deemed to be the fair market value of such property as determined in good faith by the Board of Directors.

3. Liquidation, Dissolution or Winding Up; Certain Mergers, Consolidations and Asset Sales.

3.1 Payments to Holders of Common Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event (as defined in Subsection 3.2.1), the assets of the Corporation available for distribution to its stockholders shall be distributed among the holders of shares of Common Stock, pro rata and pari passu based on the number of shares held by each such holder (the amount payable per share of Common Stock pursuant to the foregoing sentence is hereinafter referred to as the "Liquidation Amount").

3.2 Deemed Liquidation Events.

3.2.1 Definition. Each of the following events shall be considered a "**Deemed Liquidation Event**":

(a) a merger or consolidation in which (i) the Corporation is a constituent party or (ii) a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such merger or consolidation,except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for equity securities that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the equity securities of (1) the surviving or resulting entity or (2) if the surviving or resulting entity is a wholly owned subsidiary of another entity immediately following such merger or consolidation, the parent entity of such surviving or resulting entity; or

(b) the sale, lease, conveyance, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or substantially all the assets of the Corporation and its subsidiaries taken as a whole, or the sale or disposition (whether by merger, consolidation or otherwise) of one or more subsidiaries of the Corporation if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, conveyance, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Corporation (an "**Asset Sale**").

3.2.2 Effecting a Deemed Liquidation Event.

(a) The Corporation shall not have the power to effect a Deemed Liquidation Event referred to in Subsection 3.2.1(a)(i) unless the agreement or plan of merger or consolidation for such transaction provides that the consideration payable to the stockholders of the Corporation shall be allocated among the holders of capital stock of the Corporation in accordance with Subsection 3.1.

(b) In the event of a Deemed Liquidation Event referred to in Subsection 3.2.1(a)(ii) or 3.2.1(b), if the Corporation does not effect a dissolution of the Corporation under the General Corporation Law within ninety (90) days after such Deemed Liquidation Event, then (i) the Corporation shall send a written notice to each holder of Common Stock no later than the ninetieth (90th) day after the Deemed Liquidation Event advising such holders of their right (and the requirements to be met to secure such right) pursuant to the terms of the following clause (ii) to require the redemption of such shares of Common Stock, and (ii) if the holders of at least a majority of the then outstanding shares of Common Stock so request in a written instrument delivered to the Corporation not later than one hundred twenty (120) days after such Deemed Liquidation Event, the Corporation shall use the consideration received by the Corporation for such Deemed Liquidation Event (net of any retained liabilities associated with the assets sold or technology licensed, as determined in good faith by the Board of Directors of the Corporation), together with any other assets of the Corporation available for distribution to its stockholders, all to the extent permitted by Delaware law governing distributions to stockholders (the "**Available Proceeds**"), on the one hundred fiftieth (150th) day after such Deemed Liquidation Event, to redeem all outstanding shares of Common Stock at a price per share equal to the Liquidation Amount. Notwithstanding the foregoing, in the event of a redemption pursuant to the preceding sentence, if the Available Proceeds are not sufficient to redeem all outstanding shares of Common Stock,the Corporation shall ratably redeem each holder's shares of Common Stock to the fullest extent of such Available Proceeds, and shall redeem the remaining shares as soon as it may lawfully do so under Delaware law governing distributions to stockholders. Upon any such redemption, each holder shall surrender the certificates being redeemed upon receipt of payment therefor. Prior to the distribution or redemption provided for in this Section 3.2.2(b), the Corporation shall not expend or dissipate the consideration received for such Deemed Liquidation Event, except to discharge expenses incurred in connection with such Deemed Liquidation Event.

3.2.3 Amount Deemed Paid or Distributed. The amount deemed paid or distributed to the holders of capital stock of the Corporation upon any such merger, consolidation, sale, transfer, exclusive license, other disposition or redemption shall be the cash or the value of the property, rights or securities paid or distributed to such holders by the Corporation or the acquiring person, firm or other entity. The value of such property, rights or securities shall be determined in good faith by the Board of Directors of the Corporation.

4. Election of Directors. The holders of record of the shares of Common Stock shall be entitled to elect the directors of the Corporation. At any meeting held for the purpose of electing a director, the presence in person or by proxy of the holders of a majority of the outstanding shares of Common Stock shall constitute a quorum for the purpose of electing such director.

5. Notice of Record Date. In the event (i) the Corporation shall take a record of the holders of Common Stock for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security, (ii) of any capital reorganization of the Corporation, any reclassification of the Common Stock, or any Deemed Liquidation Event or (iii) of the voluntary or involuntary dissolution, liquidation or winding up of the Corporation, then, and in each such case, the Corporation will send or cause to be sent to the holders of the Common Stock a notice specifying, as the case may be, (x) the record date for such dividend, distribution or right, and the amount and character of such dividend, distribution or right, or (y) the effective date on which such capital reorganization, reclassification, Deemed Liquidation Event, dissolution, liquidation or winding up is proposed to take place, and the

time, if any is to be fixed, as of which the holders of record of Common Stock shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such capital reorganization, reclassification, Deemed Liquidation Event, dissolution, liquidation or winding up, and the amount per share and character of such exchange applicable to the Common Stock. Such notice shall be sent at least ten (10) days prior to the record date or effective date for the event specified in such notice.

6. Notices. Any notice required or permitted by the provisions of this Article Fourth to be given to a holder of shares of Common Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation for such holder, given by the holder to the Corporation for the purpose of notice, or given by electronic communication in compliance with the provisions of the General Corporation Law, and shall be deemed sent upon such mailing or electronic transmission.

**FIFTH:** Subject to any additional vote required by this Amended and Restated Certificate of Incorporation or the Bylaws of the Corporation, in furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to make, repeal, alter, amend and rescind any or all of the Bylaws of the Corporation.

**SIXTH:** The number of directors of the Corporation shall be determined in the manner set forth in the Bylaws of the Corporation.

**SEVENTH:** Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

**EIGHTH:** Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws of the Corporation may provide. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of the Corporation.

**NINTH:** To the fullest extent permitted by law, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the General Corporation Law or any other law of the State of Delaware is amended after approval by the stockholders of this Article Ninth to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law as so amended.

Any repeal or modification of the foregoing provisions of this Article Ninth by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of, or increase the liability of any director of the Corporation with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

**TENTH:** To the fullest extent permitted by applicable law, the Corporation is authorized to provide indemnification of (and advancement of expenses to) directors, officers and agents of the Corporation (and any other persons to which General Corporation Law permits the Corporation to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise, in excess of the indemnification and advancement otherwise permitted by Section 145 of the General Corporation Law.

Any amendment, repeal or modification of the foregoing provisions of this Article Tenth shall not adversely affect any right or protection of any director, officer or other agent of the Corporation existing at the time of such amendment, repeal or modification.

**ELEVENTH:** For purposes of Section 500 of the California Corporations Code (to the extent applicable), in connection with any repurchase of shares of Common Stock permitted under the Certificate of Incorporation from employees, officers, directors or consultants of the Corporation in connection with a termination of employment or services pursuant to agreements or arrangements approved by the Board (in addition to any other consent required under the Certificate of Incorporation), such repurchase may be made without regard to any "preferential dividends arrears amount" or "preferential rights amount" (as those terms are defined in Section 500 of the California Corporations Code). Accordingly, for purposes of making any calculation under California Corporations Code Section 500 in connection with such repurchase, the amount of any "preferential dividends arrears amount" or "preferential rights amount" (as those terms are defined therein) shall be deemed to be zero (0).

* * * * *

Exhibit B to Common Stock Purchase Agreement
Super League Gaming, Inc.

3. That the foregoing amendment and restatement was approved by the holders of the requisite number of shares of this corporation in accordance with Section 228 of the General Corporation Law.

4. That this Amended and Restated Certificate of Incorporation, which restates and integrates and further amends the provisions of this Corporation's Certificate of Incorporation, has been duly adopted in accordance with Sections 242 and 245 of the General Corporation Law.

**IN WITNESS WHEREOF**, this Amended and Restated Certificate of Incorporation has been executed by a duly authorized officer of this corporation on October 7, 2016.

By: /s/ Ann Hand
Ann Hand, CEO & President

Exhibit B to Common Stock Purchase Agreement
Super League Gaming, Inc.

**EXHIBIT C**

**DISCLOSURE SCHEDULE**

This Disclosure Schedule is made and given pursuant to Section 2 of the Common Stock Purchase Agreement (the "***Agreement***"), between Super League Gaming, Inc. (the "***Company***") and the Purchasers listed on Exhibit A thereto. All capitalized terms used but not defined herein shall have the meanings as defined in the Agreement, unless otherwise provided. The section numbers below correspond to the section numbers of the representations and warranties in the Agreement; *provided, however*, that any information disclosed herein under any section number shall be deemed to be disclosed and incorporated into any other section number under the Agreement where such disclosure would be appropriate and such appropriateness is reasonably apparent from the face of such disclosure. Nothing in this Disclosure Schedule is intended to broaden the scope of any representation or warranty contained in the Agreement or to create any covenant. Inclusion of any item in this Disclosure Schedule (1) does not represent a determination that such item is material or establish a standard of materiality, (2) does not represent a determination that such item did not arise in the ordinary course of business, (3) does not represent a determination that the transactions contemplated by the Agreement require the consent of third parties, and (4) shall not constitute, or be deemed to be, an admission to any third party concerning such item. This Disclosure Schedule includes brief descriptions or summaries of certain agreements and instruments, copies of which are available upon reasonable request. Such descriptions do not purport to be comprehensive, and are qualified in their entirety by reference to the text of the documents described, true and complete copies of which have been provided to the Purchasers or their respective counsel.

**SECTION 2.2(c)**

**Capitalization**

Following the Initial Closing, and assuming such closing is in the amount of $10,000,000 and consisting of the sale of 2,777,778 shares of common stock, the capitalization of the Company will be as follows:

| Form of Security | Amount | Percentage |
|---|---|---|
| Common Stock (1) | 12,428,542 | 72.84% |
| Options to Purchase Common Stock (2) | 2,658,493 | 15.58% |
| Warrants to Purchase Common Stock (3) | 1,950,000 | 11.43% |
| Restricted Stock Units | 25,000 | 0.15% |
| TOTAL | 17,062,035 | 100.00% |

(1) Consists of (a) 8,099,279 shares of common stock outstanding prior to the Initial Closing, (b) 1,551,485 shares of common stock issued at the Initial Closing relating to the automatic conversion of $5,050,000 of zero coupon unsecured convertible notes, and (c) 2,777,778 shares of common stock issued in connection with the collective investment of $10,000,000. Excludes the exercise of any portion of the over-allotment of up to 5,000,000, consisting of up to 1,388,889 shares.

(2) The weighted average exercise price of the options to purchase 2,658,493 shares of common stock is $2.41 per share, with a collective exercise value of $6,410,479.

(3) The weighted average exercise price of the warrants to purchase 1,950,000 shares of common stock is $2.57 per share, with a collective exercise value of $5,020,000.

**SECTION 2.8**

**Patents & Trademarks**

| Patents Pending | Matter Name/Description | Status | Application No | Filing Date | Priority Claim | Inventors |
|---|---|---|---|---|---|---|
| 001WO (PCT – International) | Game System – Generating Game Projection Views | **PENDING:** 1. Entered National Phase in the U.S. with 001C1 & 001C2 2. Case Expires May 5, 2017 | PCT/US2015/029532 | 05/06/2015 | 001PR (Provisional) filed 11/5/14 | 1. John Miller 2. David Steigelfest |
| 001C1 (U.S. Non-Provisional) | Multi-User Game System with Trigger-Based Generation of Projection View | **PENDING** **1.** Filed with Prioritized Examination Request **2.** Awaiting Examination by Patent Office | 15/179,868 | 06/10/2016 | Continuation of 001WO | 1. John Miller 2. David Steigelfest |
| 001C2 (U.S. Non-Provisional) | Multi-User Game System with Character-Based Generation of Projection View | **PENDING** **1.** Filed with Prioritized Examination Request 2. Awaiting Examination by Patent Office | 15/179,878 | 06/10/2016 | Continuation of 001WO | 1. John Miller 2. David Steigelfest |

Registered Trademarks:

1. SLG (Stylized)
   a. Registeredwith USPTO
      i. International Class 9 – Serial No. 86725324
      ii. International Class 28 – Serial No. 86725331
      iii. International Class 41 – Serial No. 86725326
2. Super League Gaming (Stylized)
   a. Registered with European Registration Community Mark No. 14945976
3. Super League Gaming (logo)
   a. Registered with European Registration Community Mark No. 14945976

**SECTION 2.12**

**Registration Rights**

1. The investors in the Company's Series A Round common stock round hold unlimited piggyback registration rights.

Exhibit C to Common Stock Purchase Agreement
Super League Gaming, Inc.

**SECTION 2.16(g)**

**Employee Benefit Plan**

None.

**EXHIBIT D**

**FORM OF INVESTORS' RIGHTS AGREEMENT**

Exhibit D to Common Stock Purchase Agreement
Super League Gaming, Inc.

**Exhibit 10.12**

**SUPER LEAGUE GAMING, INC.**

**INVESTORS' RIGHTS AGREEMENT**

THIS INVESTORS' RIGHTS AGREEMENT (this "***Agreement***"), is made as of _____, by and among Super League Gaming, Inc., a Delaware corporation (the "***Company***"), and the purchasers of the Company's Common Stock listed on Schedule 1 hereto (the "***Investors***").

RECITALS

**WHEREAS**, the Company and the Investors are parties to that certain Common Stock Purchase Agreement of even date herewith (the "***Purchase Agreement***").

**WHEREAS**, in order to induce the Company to enter into the Purchase Agreement and to induce the Investors to invest funds in the Company pursuant to the Purchase Agreement, the Investors and the Company hereby agree that this Agreement shall govern the rights of the Investors to cause the Company to register shares of Common Stock issuable to the Investors, to receive certain information from the Company, and to participate in future equity offerings by the Company, and shall govern certain other matters as set forth in this Agreement.

AGREEMENT

**NOW, THEREFORE**, the parties to this Agreement agree as follows:

1. Definitions . For purposes of this Agreement:

1.1 "***Affiliate***" means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by or is under common control with such Person, including, without limitation, any general partner, managing member, officer or director of such Person, or such Person's principal, or any venture capital fund, financial investment firm or collective investment vehicle now or hereafter existing that is controlled by one or more general partners or managing members (or any affiliates thereof, which shall include any series or cell of a general partner or managing member that is structured as a series limited liability company) of, or shares the same management company with, such Person. For purposes of this definition, the terms "controlling," "controlled by," or "under common control with" shall mean the possession, directly or indirectly, of (a) the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise, or (b) the power to elect or appoint at least 50% of the directors, managers, general partners, or Persons exercising similar authority with respect to such Person. For the avoidance of doubt, an "Affiliate" of a specified Person shall include (x) such Person's partners, members, stockholders, other equity owners, officers, directors, managers, former or retired partners, former or retired members, former or retired stockholders, former or retired other equity owners, and the estate of any of the foregoing and (y) a parent or subsidiary of a Person that is an entity.

1.2 "***Board***" means the board of directors of the Company.

1.3 "***Common Stock***" means shares of the Company's common stock, par value $0.001 per share.

1.4 "***Damages***" means any loss, damage, claim or liability (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act, or other federal or state law, insofar as such loss, damage, claim or liability (or any action in respect thereof) arises out of or is based upon: (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement of the Company, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, and any free-writing prospectus and any issuer information (as defined in Rule 433 of the Securities Act) filed or required to be filed pursuant to Rule 433(d) under the Securities Act or any other document incident to such registration prepared by or on behalf of the Company or used or referred to by the Company; (ii) an omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or (iii) any violation or alleged violation by the indemnifying party (or any of its agents or Affiliates) of the Securities Act, the Exchange Act, any state securities law, or any rule or regulation promulgated under the Securities Act, the Exchange Act, or any state securities law.

1.5 "***Deemed Liquidation Event***" has the meaning given to such term in the Restated Certificate in effect on the date hereof.

1.6 "***Derivative Securities***" means any securities or rights convertible into, or exercisable or exchangeable for (in each case, directly or indirectly), Common Stock, including options and warrants.

1.7 "***Exchange Act***" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

1.8 "***Excluded Registration***" means (i) a registration relating to the sale of securities to employees of the Company or a subsidiary pursuant to a stock option, stock purchase, or similar plan; (ii) a registration relating to an SEC Rule 145 transaction; (iii) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities; or (iv) a registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities that are also being registered.

1.9 "***Exempted Securities***" means: (i) securities issued pursuant to a Recapitalization; (ii) securities issued to employees, consultants, officers or directors for bona fide compensatory purposes pursuant to the Company's existing equity incentive plan(s), such issuances to be approved by a majority of the Board; (iii) securities issued upon exercise or conversion of options, warrants or other exercisable or convertible securities outstanding as of the date hereof; (iv) securities issued in connection with the closing of the IPO; (v) securities issued in connection with a bona fide acquisition of another entity by the Company by merger, purchase of substantially all of the assets or other reorganization or a joint venture agreement approved by a majority of the Board; (vi) securities issued to banks, equipment lessors or other financial institutions pursuant to a debt financing or commercial leasing transaction approved by a majority of the Board; (vii) securities issued in connection with sponsored research, collaboration, technology license, development, marketing or other similar agreements or strategic partnerships approved by a majority of the Board; and (viii) securities issued to suppliers or third party service providers in connection with the provision of goods or services pursuant to transactions approved by a majority of the Board.

1.10 "***Form S-1***" means such form under the Securities Act as in effect on the date hereof or any successor registration form under the Securities Act subsequently adopted by the SEC.

1.11 "***Form S-3***" means such form under the Securities Act as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the SEC that permits incorporation of substantial information by reference to other documents filed by the Company with the SEC.

1.12 "***GAAP***" means generally accepted accounting principles in the United States, consistently applied.

1.13 "***Holder***" means any holder of Registrable Securities who is a party to this Agreement.

1.14 "***Immediate Family Member***" means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including, adoptive relationships, of a natural person referred to herein.

1.15 "***Initiating Holders***" means, collectively, Holders who properly initiate a registration request under this Agreement.

1.16 "***IPO***" means the Company's first underwritten public offering of its Common Stock under the Securities Act.

1.17 "***New Securities***" means, collectively, equity securities of the Company, whether or not currently authorized, as well as any rights, options, or warrants to purchase such equity securities, or securities of any type whatsoever that are, or may become, convertible or exchangeable into or exercisable (in each case, directly or indirectly) for such equity securities.

1.18 "***Original Issue Price***" has the meaning given to such term in the Purchase Agreement.

1.19 "***Person***" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

1.20 "***Qualified Public Offering***" means the closing of the sale of shares of Common Stock to the public at a price of at least $10.80 per share (subject to appropriate adjustment in the event of any Recapitalization with respect to the Common Stock), in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act resulting in at least $25,000,000 of gross proceeds, net of the underwriting discount and commissions, to the Company.

1.21 "***Recapitalization***" means any stock dividend, stock split, combination of shares, reorganization, recapitalization, reclassification or other similar event.

1.22 "***Registrable Securities***" means (i) any Common Stock issued pursuant to the Purchase Agreement, (ii) any Common Stock, or any Common Stock issued or issuable (directly or indirectly) upon conversion and/or exercise of any other securities of the Company, currently owned, or acquired after the date hereof, by any Investor or its Affiliate(s); (iii) any Common Stock issued or issuable upon conversion of those certain Zero Coupon Unsecured Convertible Promissory Notes by the Company; and (iv) any Common Stock issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the shares referenced in clauses (i)-(iii) above held by an Investor; excluding in all cases, however, any Registrable Securities sold by a Person in a transaction in which the applicable rights under this Agreement are not assigned pursuant to Section 6.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Section 2.12 of this Agreement.

1.23 "***Registrable Securities then outstanding***" means the number of shares determined by adding the number of shares of outstanding Common Stock that are Registrable Securities and the number of shares of Common Stock issuable (directly or indirectly) pursuant to then exercisable and/or convertible securities that are Registrable Securities.

1.24 "***Restated Certificate***" means the Company's Amended and Restated Certificate of Incorporation, as amended from time to time.

1.25 "***Restricted Securities***" means the securities of the Company required to be notated with the legend set forth in Section 2.11(b) hereof.

1.26 "***SEC***" means the Securities and Exchange Commission.

1.27 "***SEC Rule 144***" means Rule 144 promulgated by the SEC under the Securities Act.

1.28 "***SEC Rule 145***" means Rule 145 promulgated by the SEC under the Securities Act.

1.29 "***Securities Act***" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.30 "***Selling Expenses***" means all underwriting discounts, selling commissions, and stock transfer taxes applicable to the sale of Registrable Securities, and fees and disbursements of counsel for any Holder, all of which shall be borne and paid for by the Holder(s) as described in this Agreement, except for the fees and disbursements of the Selling Holder Counsel (as defined herein) borne and paid by the Company as provided in Section 2.6.

1.31 "***Toba***" means Toba Capital Ventures Series, a series of Toba Capital LLC, a Delaware limited liability company.

2. Registration Rights. The Company covenants and agrees as follows:

2.1 Demand Registration

(a) Form S-1 Demand. If at any time after the earlier of (i) three (3) years after the date of this Agreement or (ii) one (1) year after the effective date of the registration statement for the IPO, the Company receives a request from Holders of at least fifty percent (50%) of the Registrable Securities then outstanding that the Company file a Form S-1 registration statement with respect to Registrable Securities then outstanding with an anticipated aggregate offering price, net of Selling Expenses, in excess of $10,000,000, then the Company shall (x) within ten (10) days after the date such request is given, give notice thereof (the "***Demand Notice***") to all Holders other than the Initiating Holders; and (y) as soon as practicable, and in any event within one hundred twenty (120) days after the date such request is given by the Initiating Holders, file such Form S-1 registration statement under the Securities Act covering all Registrable Securities that the Initiating Holders requested to be registered and any additional Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Subsections 2.1(c) and 2.3.

(b) Form S-3 Demand. If at any time when it is eligible to use a Form S-3 registration statement, the Company receives a request from Holders of at least fifty percent (50%) of the Registrable Securities then outstanding that the Company file a Form S-3 registration statement with respect to outstanding Registrable Securities of such Holders having an anticipated aggregate offering price, net of Selling Expenses, of at least $5,000,000, then the Company shall (i) within ten (10) days after the date such request is given, give a Demand Notice to all Holders other than the Initiating Holders; and (ii) as soon as practicable, and in any event within sixty (60) days after the date such request is given by the Initiating Holders, file such Form S-3 registration statement under the Securities Act covering all Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Subsections 2.1(c) and 2.3.

(c) Notwithstanding the foregoing obligations, if the Company furnishes to Holders requesting a registration pursuant to this Subsection 2.1 a certificate signed by the Company's chief executive officer stating that in the good faith judgment of the Board it would be materially detrimental to the Company and its stockholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would (i) materially interfere with a significant acquisition, corporate reorganization, or other similar transaction involving the Company; (ii) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (iii) render the Company unable to comply with requirements under the Securities Act or Exchange Act, then the Company shall have the right to defer taking action with respect to such filing for a period of not more than one hundred eighty (180) days after the request of the Initiating Holders is given; provided, however, that the Company may not invoke this right more than once in any twelve (12) month period; and provided further that the Company shall not register any securities for its own account or that of any other stockholder during such ninety (90) day period other than an Excluded Registration.

(d) The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Subsection 2.1(a): (i) during the period that is ninety (90) days before the Company's good faith estimate of the date of filing of, and ending on a date that is one hundred eighty (180) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; (ii) after the Company has effected two registrations pursuant to Subsection 2.1(a); or (iii) if the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Subsection 2.1(b). The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Subsection 2.1(b): (i) during the period that is forty-five (45) days before the Company's good faith estimate of the date of filing of, and ending on a date that is ninety (90) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; or (ii) if the Company has effected two registrations pursuant to Subsection 2.1(b) within the twelve (12) month period immediately preceding the date of such request. A registration shall not be counted as "effected" for purposes of this Subsection 2.1(d) until such time as the applicable registration statement has been declared effective by the SEC, unless the Initiating Holders withdraw their request for such registration, elect not to pay the registration expenses therefor, and forfeit their right to one (1) demand registration statement pursuant to Subsection 2.6, in which case such withdrawn registration statement shall be counted as "effected" for purposes of this Subsection 2.1(d).

2.2 Company Registration. If the Company proposes to register (including, for this purpose, a registration effected by the Company for stockholders other than the Holders) any of its securities under the Securities Act in connection with the public offering of such securities solely for cash (other than in an Excluded Registration), the Company shall, at such time, promptly (and in any event no less than twenty (20) calendar days prior to the filing of the registration statement with respect to such Company securities) give each Holder notice of such registration. Upon the request of each Holder given within ten (10) days after such notice is given by the Company, the Company shall, expressly subject to the provisions of Section 2.3, cause to be registered all of the Registrable Securities that each such Holder has requested to be included in such registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 2.2 before the effective date of such registration, whether or not any Holder has elected to include Registrable Securities in such registration. The expenses (other than Selling Expenses) of such withdrawn registration shall be borne by the Company in accordance with Section 2.6.

2.3 Underwriting Requirements

(a) If, pursuant to Section 2.1, the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Section 2.1, and the Company shall include such information in the Demand Notice. The underwriter(s) will be selected by the Company and shall be reasonably acceptable to a majority in interest of the Initiating Holders. In such event, the right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the Company as provided in Section 2.4(e)) enter into an underwriting agreement in customary form with the underwriter(s) selected for such underwriting. Notwithstanding any other provision of this Section 2.3, if the managing underwriter(s) advise(s) the Initiating Holders in writing that marketing or other factors, in its reasonable discretion, require a limitation on the number of shares to be underwritten, or the elimination thereof, then the Initiating Holders shall so advise all Holders of Registrable Securities that otherwise would be underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwriting shall be allocated among such Holders of Registrable Securities, including the Initiating Holders, in proportion (as nearly as practicable) to the number of Registrable Securities owned by each Holder or in such other proportion as shall unanimously be agreed to by all such selling Holders; *provided, however*, that the number of Registrable Securities held by the Holders, to be included in such underwriting, shall only be reduced in proportion to the percentage reduction of other registrable securities of the Company included in such underwriting and not part of the Registrable Securities defined herein. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest one hundred (100) shares.

(b) In connection with any offering involving an underwriting of shares of the Company's capital stock pursuant to Section 2.2, the Company shall not be required to include any of the Holders' Registrable Securities in such underwriting unless the Holders accept the terms of the underwriting as agreed upon between the Company and its underwriters, and then only in such quantity, if any, as the underwriters in their sole discretion determine will not jeopardize the success of the offering by the Company. If the total number of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the number of securities to be sold (other than by the Company), that the underwriters in their reasonable discretion determine is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters and the Company in their sole discretion determine will not jeopardize the success of the offering. If the underwriters determine that less than all of the Registrable Securities requested to be registered can be included in such offering, then the Registrable Securities that are included in such offering shall be allocated among the selling Holders in proportion (as nearly as practicable) to the number of Registrable Securities owned by each selling Holder or in such other proportions as shall mutually be agreed to by all such selling Holders. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest one hundred (100) shares. Notwithstanding the foregoing, in no event shall (i) the number of Registrable Securities included in the offering be reduced unless all other securities (expressly excluding securities to be sold by the Company) are proportionally reduced, or (ii) the number of Registrable Securities included in the offering be reduced below fifty percent (50%) of the total number of securities included in such offering, unless such offering is the IPO, in which case the selling Holders may be excluded in full if the underwriters make the determination described above and no other stockholder's securities are included in such offering. For purposes of the provision in this Section 2.3(b) concerning apportionment, for any selling Holder that is a partnership, limited liability company, or corporation, the partners, members, retired partners, retired members, stockholders, and Affiliates of such Holder, or the estates and Immediate Family Members of any such partners, retired partners, members, and retired members and any trusts for the benefit of any of the foregoing Persons, shall be deemed to be a single "selling Holder," and any pro rata reduction with respect to such "selling Holder" shall be based upon the aggregate number of Registrable Securities owned by all Persons included in such "selling Holder," as defined in this sentence.

(c) For purposes of Section 2.1, a registration shall not be counted as "effected" if, as a result of an exercise of the underwriter's cutback provisions in Section 2.3(a), fewer than twenty-five percent (25%) of the total number of Registrable Securities that Holders have requested to be included in such registration statement are actually included.

2.4 Obligations of the Company. Whenever required under this Section 2 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its commercially reasonable efforts to cause such registration statement to become effective and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to one hundred twenty (120) days or, if earlier, until the distribution contemplated in the registration statement has been completed; *provided, however*, that such one hundred twenty (120) day period shall be extended for a period of time equal to the period the Holder refrains, at the request of an underwriter of Common Stock (or other securities) of the Company, from selling any securities included in such registration;

(b) prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the Securities Act in order to enable the disposition of all securities covered by such registration statement;

(c) furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus, as required by the Securities Act, and such other documents as the Holders may reasonably request in order to facilitate their disposition of their Registrable Securities;

(d) use its commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or blue-sky laws of such jurisdictions as shall be reasonably requested by the selling Holders; *provided* that the Company shall not be required to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the underwriter(s) of such offering;

(f) use its commercially reasonable efforts to cause all such Registrable Securities covered by such registration statement to be listed on a national securities exchange or trading system and each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(g) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) promptly make available for inspection by the selling Holders, any underwriter(s) participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the selling Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant, or agent, in each case, as necessary or advisable to verify the accuracy of the information in such registration statement and to conduct appropriate due diligence in connection therewith;

(i) notify each selling Holder, promptly after the Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any prospectus forming a part of such registration statement has been filed; and

(j) after such registration statement becomes effective, notify each selling Holder of any request by the SEC that the Company amend or supplement such registration statement or prospectus.

In addition, the Company shall ensure that, at all times after any registration statement covering a public offering of securities of the Company under the Securities Act shall have become effective, its insider trading policy shall provide that the Company's directors may implement a trading program under Rule 10b5-1 of the Exchange Act.

2.5 Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 2 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as is reasonably required to effect the registration of such Holder's Registrable Securities.

2.6 Expenses of Registration. All expenses (other than Selling Expenses) incurred in connection with registrations, filings, or qualifications pursuant to Section 2, including all registration, filing, and qualification fees; printers' and accounting fees; fees and disbursements of counsel for the Company; and the reasonable fees and disbursements, not to exceed $25,000, of one counsel for the selling Holders ("***Selling Holder Counsel***"), shall be borne and paid by the Company; *provided, however*, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Section 2.1 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all selling Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one registration pursuant to Sections 2.1(a) or 2.1(b), as the case may be, in which case the Holders shall not be required to pay any of such expenses and shall not forfeit their right to one registration pursuant to Sections 2.1(a) or 2.1(b). All Selling Expenses relating to Registrable Securities registered pursuant to this Section 2 shall be borne and paid by the Holders pro rata on the basis of the number of Registrable Securities registered on their behalf.

2.7 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

2.8 Indemnification. If any Registrable Securities are included in a registration statement under this Section 2:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each selling Holder, and the partners, members, officers, directors, and stockholders of each such Holder; legal counsel and accountants for each such Holder; any underwriter (as defined in the Securities Act) for each such Holder; and each Person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any Damages, and the Company will pay to each such Holder, underwriter, controlling Person, or other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; *provided, however*, that the indemnity agreement contained in this Section 2.8(a) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld, nor shall the Company be liable for any Damages to the extent that they arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of any such Holder, underwriter, controlling Person, or other aforementioned Person expressly for use in connection with such registration.

(b) To the extent permitted by law, each selling Holder, severally and not jointly, will indemnify and hold harmless the Company, and each of its directors, each of its officers who has signed the registration statement, each Person (if any), who controls the Company within the meaning of the Securities Act, legal counsel and accountants for the Company, any underwriter (as defined in the Securities Act), any other Holder selling securities in such registration statement, and any controlling Person of any such underwriter or other Holder, against any Damages, in each case only to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of such selling Holder expressly for use in connection with such registration; and each such selling Holder will pay to the Company and each other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; *provided, however*, that the indemnity agreement contained in this Section 2.8(b) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; and *provided further* that in no event shall the aggregate amounts payable by any Holder by way of indemnity or contribution under Sections 2.8(b) and 2.8(d) exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of fraud or willful misconduct by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 2.8 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 2.8, give the indemnifying party notice of the commencement thereof. The indemnifying party shall have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given, and to assume the defense thereof with counsel mutually satisfactory to the parties; *provided, however*, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such action. The failure to give notice to the indemnifying party within a reasonable time of the commencement of any such action shall relieve such indemnifying party of any liability to the indemnified party under this Section 2.8, to the extent that such failure materially prejudices the indemnifying party's ability to defend such action. The failure to give notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 2.8.

(d) To provide for just and equitable contribution to joint liability under the Securities Act in any case in which either: (i) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Section 2.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Section 2.8 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any party hereto for which indemnification is provided under this Section 2.8, then, and in each such case, such parties will contribute to the aggregate losses, claims, damages, liabilities, or expenses to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and the indemnified party in connection with the statements, omissions, or other actions that resulted in such loss, claim, damage, liability, or expense, as well as to reflect any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or allegedly untrue statement of a material fact, or the omission or alleged omission of a material fact, relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission; *provided, however*, that, in any such case (x) no Holder will be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by such Holder pursuant to such registration statement, and (y) no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation; and *provided further* that in no event shall a Holder's liability pursuant to this Section 2.8(d), when combined with the amounts paid or payable by such Holder pursuant to Section 2.8(b), exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of willful misconduct or fraud by such Holder.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) Unless otherwise superseded by an underwriting agreement entered into in connection with the underwritten public offering, the obligations of the Company and Holders under this Section 2.8 shall survive the completion of any offering of Registrable Securities in a registration under this Section 2, and otherwise shall survive the termination of this Agreement.

2.9 Reports Under Exchange Act. With a view to making available to the Holders the benefits of SEC Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company shall:

(a) make and keep available adequate current public information, as those terms are understood and defined in SEC Rule 144, at all times after the effective date of the registration statement filed by the Company for the IPO;

(b) use commercially reasonable efforts to file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act (at any time after the Company has become subject to such reporting requirements); and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request to the extent accurate, a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after ninety (90) days after the effective date of the registration statement filed by the Company for the IPO), the Securities Act, and the Exchange Act (at any time after the Company has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after the Company so qualifies); and (ii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration (at any time after the Company has become subject to the reporting requirements under the Exchange Act) or pursuant to Form S-3 (at any time after the Company so qualifies to use such form).

2.10 "Market Stand-off" Agreement. Each Holder hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the registration by the Company of shares of its Common Stock or any other equity securities under the Securities Act on a registration statement on Form S-1 or Form S-3, and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days in the case of the IPO, or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (1) the publication or other distribution of research reports, and (2) analyst recommendations and opinions, including, but not limited to, the restrictions contained in FINRA Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto), (i) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock held immediately before the effective date of the registration statement for such offering or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or other securities, in cash, or otherwise. The foregoing provisions of this Section 2.100 shall apply only to the IPO, shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, or the transfer of any shares to any trust for the direct or indirect benefit of the Holder or the immediate family of the Holder, provided that the trustee of the trust agrees to be bound in writing by the restrictions set forth herein, and provided further that any such transfer shall not involve a disposition for value. The underwriters in connection with such registration are intended third-party beneficiaries of this Section 2.10 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. Each Holder further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with such registration that are consistent with this Section 2.10 or that are necessary to give further effect thereto, and the Company shall cause all future stockholders of the Company to execute a document containing a market stand-off agreement comparable to this Section 2.10. Any discretionary waiver or termination of the restrictions of any or all of such agreements by the Company or the underwriters shall apply pro rata to all Holders subject to such agreements, based on the number of shares subject to such agreements.

2.11 Restrictions on Transfer

(a) The Registrable Securities shall not be sold, pledged, or otherwise transferred other than in conformity with the Securities Act, and the Company shall not recognize and shall issue stop-transfer instructions to its transfer agent (when a transfer agent has been engaged by the Company) with respect to any such sale, pledge, or transfer, except upon the conditions specified in this Agreement, which conditions are intended to ensure compliance with the provisions of the Securities Act. A transferring Holder will cause any proposed purchaser, pledgee, or transferee of the Registrable Securities held by such Holder to agree to take and hold such securities subject to the provisions and upon the conditions specified in this Agreement.

(b) Each certificate, instrument, or book entry representing (i) the Registrable Securities, and (ii) any other securities issued in respect of the securities referenced in clause (i), upon any Recapitalization, merger, consolidation, or similar event, shall (unless otherwise permitted by the provisions of Section 2.11(c)) be notated with a legend substantially in the following form:

> THE SECURITIES REPRESENTED HEREBY HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD, PLEDGED, OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR A VALID EXEMPTION FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT.
>
> THE SECURITIES REPRESENTED HEREBY MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

The Holders consent to the Company making a notation in its records and giving instructions to any transfer agent of the Restricted Securities in order to implement the restrictions on transfer set forth in this Section 2.11.

(c) The holder of such Restricted Securities, by acceptance of ownership thereof, agrees to comply in all respects with the provisions of this Section 2. Before any proposed sale, pledge, or transfer of any Restricted Securities, unless there is in effect a registration statement under the Securities Act covering the proposed transaction, the Holder thereof shall give notice to the Company of such Holder's intention to effect such sale, pledge, or transfer. Each such notice shall describe the manner and circumstances of the proposed sale, pledge, or transfer in sufficient detail and, if reasonably requested by the Company, shall be accompanied at such Holder's expense by either (i) a written opinion of legal counsel who shall, and whose legal opinion shall, be reasonably satisfactory to the Company, addressed to the Company, to the effect that the proposed transaction may be effected without registration under the Securities Act; (ii) a "no action" letter from the SEC to the effect that the proposed sale, pledge, or transfer of such Restricted Securities without registration will not result in a recommendation by the staff of the SEC that action be taken with respect thereto; or (iii) any other evidence reasonably satisfactory to counsel to the Company to the effect that the proposed sale, pledge, or transfer of the Restricted Securities may be effected without registration under the Securities Act, whereupon the Holder of such Restricted Securities shall be entitled to sell, pledge, or transfer such Restricted Securities in accordance with the terms of the notice given by the Holder to the Company. The Company will not require such a legal opinion or "no action" letter or detail with respect to such transfer other than the number of shares and the name of the transferee (x) in any transaction in compliance with SEC Rule 144; or (y) in any transaction in which such Holder distributes Restricted Securities to an Affiliate of such Holder for no consideration; *provided* that each transferee agrees in writing to be subject to the terms of this Section 2.11. Each certificate, instrument, or book entry representing the Restricted Securities transferred as above provided shall be notated with, except if such transfer is made pursuant to SEC Rule 144, the appropriate restrictive legend set forth in Section 2.11(b), except that such certificate instrument, or book entry shall not be notated with such restrictive legend if, in the opinion of counsel for such Holder and the Company, such legend is not required in order to establish compliance with any provisions of the Securities Act.

2.12 Termination of Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to Sections 2.1 or 2.2 shall terminate upon the earliest to occur of:

(a) such time as Rule 144 or another similar exemption under the Securities Act is available for the sale of all of such Holder's shares without limitation during a three-month period without registration; and

(b) the fifth anniversary of the IPO.

3. Information Rights

3.1 Delivery of Financial Statements. The Company shall deliver to each Investor:

(a) as soon as practicable, but in any event within one hundred twenty (120) days after the end of each fiscal year of the Company (i) a balance sheet as of the end of such year, (ii) statements of income and of cash flows for such year, and (iii) a statement of stockholders' equity as of the end of such year, all prepared in accordance with GAAP and audited and certified by independent public accountants of nationally recognized standing selected by the Company;

(b) as soon as practicable, but in any event within sixty (60) days after the end of each of the first three (3) quarters of each fiscal year of the Company, unaudited statements of income and cash flows for such fiscal quarter, and an unaudited balance sheet, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments; and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(c) as soon as practicable, but in any event before the end of each fiscal year, a budget and business plan for the next fiscal year (collectively, the "***Budget***"), prepared on a monthly basis, including balance sheets, income statements, and statements of cash flow for such months and, promptly after prepared, any other budgets or revised budgets prepared by the Company; and

(d) such other information relating to the financial condition, business, prospects, or corporate affairs of the Company as any Investor may from time to time reasonably request; *provided*, *however*, that the Company shall not be obligated under this Section 3.1 to provide information that the Company reasonably determines in good faith (i) to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in a form reasonably acceptable to the Company) or (ii) would, if disclosed, adversely affect the attorney-client privilege between the Company and its counsel.

If, for any period, the Company has any subsidiary whose accounts are consolidated with those of the Company, then in respect of such period the financial statements delivered pursuant to the foregoing sections shall be the consolidated and consolidating financial statements of the Company and all such consolidated subsidiaries.

Notwithstanding anything else in this Section 3.1 to the contrary, the Company may cease providing the information set forth in this Section 3.1 during the period starting with the date one hundred twenty (120) days before the Company's good-faith estimate of the date of filing of a registration statement if it reasonably concludes it must do so to comply with the SEC rules applicable to such registration statement and related offering; *provided* that the Company's covenants under this Section 3.1 shall be reinstated at such time as the Company is no longer actively employing its commercially reasonable efforts to cause such registration statement to become effective.

3.2 Inspection. The Company shall permit each Investor, at such Investor's expense, to visit and inspect the Company's properties; examine its books of account and records; and discuss the Company's affairs, finances, and accounts with its officers, during normal business hours of the Company as may be reasonably requested by the Investor upon at least five (5) days' notice; *provided, however*, that the Company shall not be obligated pursuant to this Section 3.2 to provide access to any information that it reasonably and in good faith determines (a) to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form reasonably acceptable to the Company) (b) would, if disclosed, adversely affect the attorney-client privilege between the Company and its counsel.

3.3 Toba Observer Rights. As long as Toba and/or its Affiliates beneficially own any Registrable Securities, the Company shall invite a representative of Toba to attend all meetings of the Board in a nonvoting observer capacity and, in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors at the same time and in the same manner as provided to such directors; *provided*, *however*, that such representative shall agree to hold in confidence and trust and to act in a fiduciary manner with respect to all information so provided; and *provided further*, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if the Company reasonably determines in good faith, upon advice of counsel, that access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest.

3.4 Termination of Information Rights and Observer Right. The covenants set forth in Sections 3.1, 3.2, and 3.3 shall terminate and be of no further force or effect immediately before the consummation of a Qualified Public Offering.

3.5 Confidentiality. Each Investor agrees that such Investor will keep confidential and will not disclose, divulge, or use for any purpose (other than to monitor its investment in the Company) any confidential information obtained from the Company pursuant to the terms of this Agreement (including notice of the Company's intention to file a registration statement), unless such confidential information (a) is known or becomes known to the public in general (other than as a result of a breach of this Section 3.55 by such Investor), (b) is or has been independently developed or conceived by the Investor without use of the Company's confidential information as evidenced by written documentation, or (c) is or has been made known or disclosed to the Investor by a third party without a breach of any obligation of confidentiality such third party may have to the Company; *provided, however*, that an Investor may disclose confidential information (i) to its attorneys, accountants, consultants, and other professionals to the extent necessary to obtain their services in connection with monitoring its investment in the Company; (ii) to any prospective purchaser of any Registrable Securities from such Investor, if such prospective purchaser agrees to be bound by the provisions of this Section 3.55; (iii) to any Affiliate, partner, member, stockholder, or wholly owned subsidiary of such Investor in the ordinary course of business, *provided* that such Investor informs such Person that such information is confidential and directs such Person to maintain the confidentiality of such information; or (iv) as may otherwise be required by law, *provided* that the Investor promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure.

4. Rights Related to Future Stock Issuances

4.1 Pro Rata Purchase Rights. Subject to the terms and conditions of this Section 4.1 and applicable securities laws, if, after the date of this Agreement, the Company proposes to offer or sell any New Securities, the Company shall first offer such New Securities to each Investor. Each Investor shall be entitled to apportion the pro rata purchase right hereby granted to it among itself and its Affiliates in such proportions as it deems appropriate.

(a) The Company shall give notice (the "***Offer Notice***") to each Investor, stating (i) its bona fide intention to offer such New Securities, (ii) the number of such New Securities to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such New Securities.

(b) By notification to the Company within twenty (20) days after the Offer Notice is given, each Investor may, in its sole discretion, elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, up to that portion of such New Securities which equals the proportion that the number of shares of Common Stock then held by such Investor (including all shares of Common Stock then issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of any and all Derivative Securities then held by such Investor) bears to the total number of shares of Common Stock of the Company then outstanding (assuming full conversion and/or exercise, as applicable, of all Derivative Securities). The closing of any sale pursuant to this Section 4.1(b) shall occur at the same closing covering the initial sale of New Securities pursuant to Section 4.1(c).

(c) If all New Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Section 4.1(b), the Company may, during the ninety (90) day period following the expiration of the period provided in Section 4.1(b), offer and sell the remaining unsubscribed portion of such New Securities to any Person(s) at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice. If the Company does not enter into an agreement for the sale of the New Securities within such period, or if such agreement is not consummated within thirty (30) days of the execution thereof, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Investors in accordance with this Section 4.1.

(d) The pro rata purchase rights in this Section 4.1 shall not be applicable to (i) Exempted Securities or (ii) any shares of Common Stock issued pursuant to Section 4.2.

4.2 Down Round Protection. If, after the date of this Agreement, the Company issues any New Securities (other than Exempted Securities and any shares of Common Stock issued pursuant to this Section 4.2) at a price implying a pre-money valuation of the Company of less than $40,000,000 (a "***Down Round Valuation***"), then, subject to all applicable securities laws, the Company shall promptly (and in any event within 7 days thereafter) issue to each Investor, without the payment of any additional consideration by such Investor, such number of additional shares of Common Stock as is equal to the positive difference between (x) the aggregate number of shares of Common Stock issued to such Investor pursuant to the Purchase Agreement (as adjusted for any Recapitalization with respect to the Common Stock effected after the date of the Purchase Agreement) and (y) if the Down Round Valuation is greater than or equal to $20,000,000, then the aggregate number of shares of Common Stock that would have been issued to such Investor pursuant to the Purchase Agreement (subject to appropriate adjustment for any Recapitalization with respect to the Common Stock effected after the date of the Purchase Agreement) if the price per share of the Common Stock issued and sold thereunder had been calculated at that time on the basis of a Company pre-money valuation equal to such Down Round Valuation (and utilizing the same treasury stock method as was used by the Company in originally calculating the Original Issue Price), or (z) if the Down Round Valuation is less than $20,000,000, then the aggregate number of shares of Common Stock that would have been issued to such Investor pursuant to the Purchase Agreement (subject to appropriate adjustment for any Recapitalization with respect to the Common Stock effected after the date of the Purchase Agreement) if the price per share of the Common Stock issued and sold thereunder had been calculated at that time on the basis of a Company pre-money valuation equal to $20,000,000 (and utilizing the same treasury stock method as was used by the Company in originally calculating the Original Issue Price).

4.3 Termination. The covenants set forth in Sections 4.1 and 4.2, shall terminate and be of no further force or effect immediately before the consummation of a Qualified Public Offering.

5. Additional Covenants

5.1 Employee Agreements. The Company will cause each person now or hereafter employed by it or by any subsidiary (or engaged by the Company or any subsidiary as a consultant/independent contractor) with access to confidential information and/or trade secrets to enter into a nondisclosure and proprietary rights assignment agreement. In addition, the Company shall not amend, modify, terminate, waive, or otherwise alter, in whole or in part, any of the above-referenced agreements or any restricted stock agreement between the Company and any employee, without the majority consent of the Board.

5.2 Employee Stock. Unless otherwise approved by a majority of the Board, all future employees and consultants of the Company who purchase, receive options to purchase, or receive awards of shares of the Company's capital stock after the date hereof shall be required to execute restricted stock or option agreements, as applicable, providing for vesting of shares over a four (4) year period, with vesting in equal monthly installments over the forty-eight (48) months.

5.3 Qualified Small Business Stock. The Company shall use commercially reasonable efforts to cause the shares of Common Stock issued pursuant to the Purchase Agreement to constitute "qualified small business stock" as defined in Section 1202(c) of the Internal Revenue Code (the "***Code***"); *provided, however*, that such requirement shall not be applicable if the Board determines, in its good-faith business judgment, that such qualification is inconsistent with the best interests of the Company. The Company shall submit to its stockholders (including the Investors) and to the Internal Revenue Service any reports that may be required under Section 1202(d)(1)(C) of the Code and the regulations promulgated thereunder. In addition, within twenty (20) business days after any Investor's written request therefor, the Company shall, at its option, either (i) deliver to such Investor a written statement indicating whether (and what portion of) such Investor's interest in the Company constitutes "qualified small business stock" as defined in Section 1202(c) of the Code or (ii) deliver to such Investor such factual information in the Company's possession as is reasonably necessary to enable such Investor to determine whether (and what portion of) such Investor's interest in the Company constitutes "qualified small business stock" as defined in Section 1202(c) of the Code.

5.4 Board Matters. The Company shall reimburse its directors for all reasonable out-of-pocket travel expenses incurred (consistent with the Company's travel policy) in connection with attending meetings of the Board or any committees thereof and in connection with attending any other events (*e.g.* meetings and trade shows) required by or at the request of the Company.

5.5 Successor Indemnification. If the Company or any of its successors or assignees consolidates with or merges into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger, then to the extent necessary, proper provision shall be made so that the successors and assignees of the Company assume the obligations of the Company with respect to indemnification of members of the Board as in effect immediately before such transaction, whether such obligations are contained in the Company's Bylaws, the Restated Certificate, or elsewhere, as the case may be.

5.6 Termination of Covenants. The covenants set forth in this Section 5, except for Section 5.5, shall terminate and be of no further force or effect immediately before the consummation of a Qualified Public Offering.

6. Miscellaneous

6.1 Successors and Assigns. The rights under this Agreement may be assigned (but only with all related obligations) by a Holder to a transferee of Registrable Securities that (i) is an Affiliate of a Holder, (ii) is a Holder's Immediate Family Member or trust for the benefit of an individual Holder or one or more of such Holder's Immediate Family Members, or (iii) after such transfer, holds at least 100,000 shares of Registrable Securities (subject to appropriate adjustment for Recapitalizations); *provided, however*, that (x) the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee and the Registrable Securities with respect to which such rights are being transferred; and (y) such transferee agrees in a written instrument delivered to the Company to be bound by and subject to the terms and conditions of this Agreement, including the provisions of Section 2.10. For the purposes of determining the number of shares of Registrable Securities held by a transferee, the holdings of a transferee (1) that is an Affiliate or stockholder of a Holder; (2) who is a Holder's Immediate Family Member; or (3) that is a trust for the benefit of an individual Holder or such Holder's Immediate Family Member shall be aggregated together and with those of the transferring Holder; provided further that all transferees who would not qualify individually for assignment of rights shall have a single attorney-in-fact for the purpose of exercising any rights, receiving notices, or taking any action under this Agreement. The terms and conditions of this Agreement inure to the benefit of and are binding upon the respective successors and permitted assignees of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

6.2 Governing Law. This Agreement shall be governed by and construed under the internal laws of the State of Delaware, irrespective of conflict of law principles.

6.3 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.4 Titles and Subtitles. The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

6.5 Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or (i) personal delivery to the party to be notified; (ii) when sent, if sent by electronic mail or facsimile during the recipient's normal business hours, and if not sent during normal business hours, then on the recipient's next business day; (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one (1) business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their addresses as set forth on Schedule 1 hereto, or to the principal office of the Company and to the attention of the Chief Executive Officer, in the case of the Company, or to such email address, facsimile number, or address as subsequently modified by written notice given in accordance with this Section 6.5. If notice is given to the Company, a copy shall also be sent to Gregory L. Hrncir, Esq., General Counsel, Super League Gaming, Inc., 2906 Colorado Ave., Santa Monica, CA 90404, gregg@superleague.com, and if notice is given to Toba, a copy (which shall not constitute notice) shall also be given to Christopher E. La Chance, VLP Law Group LLP, 3126 Scott Street, Suite 1, San Francisco, CA 94123, clachance@vlplawgroup.com.

6.6 Amendments and Waivers. Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance, and either retroactively or prospectively) only with the written consent of the Company and the holders of at least a majority of the Registrable Securities then outstanding (which such majority must include Toba); *provided* that any amendment or waiver of Section 3.3 or 3.4 (or, solely to the extent such provision pertains to Section 3.3 or 3.4, any other provision of this Agreement) shall require the written consent of Toba; *provided further* that the Company may in its sole discretion waive compliance with Section 2.11(c) (and the Company's failure to object promptly in writing after notification of a proposed assignment allegedly in violation of Section 2.11(c) shall be deemed to be a waiver); and *provided further* that any provision hereof may be waived by any waiving party on such party's own behalf, without the consent of any other party. Notwithstanding the foregoing, this Agreement may not be amended or terminated and the observance of any term hereof may not be waived with respect to any Investor without the written consent of such Investor, unless such amendment, termination, or waiver applies to all Investors in the same fashion. The Company shall give prompt notice of any amendment or termination hereof or waiver hereunder to any party hereto that did not consent in writing to such amendment, termination, or waiver. Any amendment, termination, or waiver effected in accordance with this Section 6.6 shall be binding on all parties hereto, regardless of whether any such party has consented thereto. No waivers of or exceptions to any term, condition, or provision of this Agreement, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such term, condition, or provision.

6.7 Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

6.8 Aggregation of Stock. All shares of Registrable Securities held or acquired by Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and such Affiliated persons may apportion such rights as among themselves in any manner they deem appropriate.

6.9 Entire Agreement. This Agreement constitutes the full and entire understanding and agreement among the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled.

6.10 Dispute Resolution. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the federal and state courts located in Los Angeles County, California for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the federal and state courts located in Los Angeles County, California, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

WAIVER OF JURY TRIAL: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

6.11 Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power, or remedy of such non-breaching or non-defaulting party, nor shall it be construed to be a waiver of or acquiescence to any such breach or default, or to any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. All remedies, whether under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative

6.12 Acknowledgment. The Company acknowledges that Toba and certain of the Investors are in the business of venture capital investing and therefore review the business plans and related proprietary information of many enterprises, including enterprises which may have products or services which compete directly or indirectly with those of the Company. Nothing in this Agreement shall preclude or in any way restrict the Investors from investing or participating in any particular enterprise whether or not such enterprise has products or services that compete with those of the Company.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed this Investors' Rights Agreement as of the date first written above.

**COMPANY:**

**SUPER LEAGUE GAMING, INC.**

By:
Ann Hand, CEO & President

IN WITNESS WHEREOF, the parties have executed this Investors' Rights Agreement as of the date first written above.

**INVESTOR:**

By:

Name:

Title:

**SCHEDULE 1**

**INVESTORS**

Name and Address of Investor

_____

_____

_____

# EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into effective as of June 16, 2017 (the "Effective Date"), by and between Super League Gaming, Inc., a Delaware corporation ("COMPANY"), and Ann Hand, an individual ("EXECUTIVE"). This Agreement shall amend and supersede that certain Employment

**WITNESSETH:**

WHEREAS, COMPANY and EXECUTIVE deem it to be in their respective best interests to enter into an agreement providing for COMPANY's employment of EXECUTIVE pursuant to the terms herein stated.

NOW, THEREFORE, in consideration of the premises and the mutual promises and agreements contained herein, it is hereby agreed as follows:

1. Term. COMPANY hereby employs and EXECUTIVE hereby accepts employment with COMPANY for a period of three (3) years beginning on the Effective Date ("Initial Term"). Unless COMPANY or EXECUTIVE provides written notice that this Agreement shall be allowed to expire and the employment relationship thereby terminated at least thirty (30) days prior to the expiration of the Initial Term or any Renewal Term (as defined herein), this Agreement shall continue in effect for successive periods of one (1) year (each such one (1) year period being a "Renewal Term"; collectively, the Initial Term and all Renewal Terms under this Agreement being the "Term").

2. Duties of EXECUTIVE; Chairman Role. EXECUTIVE's position with COMPANY shall be Chief Executive Officer, President and Chairman. EXECUTIVE shall do and perform all services reasonably necessary or advisable to accomplish the objectives of the COMPANY's Board of Directors. EXECUTIVE shall report to the Board. EXECUTIVE reserves the right to resign for Good Reason (as defined below).

3. Devotion of Time to Company's Business. EXECUTIVE shall be a full-time EXECUTIVE of COMPANY and shall devote such substantial and sufficient amounts of her productive time, ability, and attention to the business of COMPANY during the Term of this Agreement as may be reasonable and necessary to accomplish the objectives and complete the tasks assigned to EXECUTIVE. EXECUTIVE may devote reasonable time to activities other than those required under this Agreement, including activities involving professional, charitable, community, educational, religious and similar types of organizations, speaking engagements, membership on the boards of directors of other organizations and similar types of activities to the extent that such activities do not inhibit or prohibit the performance of services under this Agreement.

4. Uniqueness of Services. EXECUTIVE hereby acknowledges that the services to be performed by her under the terms of this Agreement are of a special and unique value. Accordingly, the obligations of EXECUTIVE under this Agreement are non-assignable.

5. Compensation of EXECUTIVE.

a. Base Annual Salary. Subject to other specific provisions in this Agreement, as compensation for services hereunder, EXECUTIVE shall receive a Base Annual Salary of $400,000 USD payable in accordance with the Company's ordinary payroll practices. On each anniversary date hereof, EXECUTIVE's Base Annual Salary will be reviewed and may be increased at the sole discretion of the COMPANY'S Board of Directors.

b. Annual Cash Bonus. EXECUTIVE shall be entitled to receive cash bonuses as may be determined from time to time by the Company's Board of Directors and Compensation Committee.

c. Common Stock Purchase Warrant. EXECUTIVE is hereby granted a common stock purchase warrant ("Warrant"), in the form attached hereto as Exhibit A, in the amount of Three Hundred Thousand (300,000) shares, exercisable for a period of ten (10) years from the Effective Date and bearing an exercise price of $3.60 per share. The Warrant will be exercisable, to the extent vested, by EXECUTIVE at any time during the ten (10) year Warrant term without regard for any termination of EXECUTIVE's employment. The Warrant is expressly subject to the following vesting schedule:

i. Time-Based Vesting.

(a) The Warrant will vest at the rate of 1/48th on the 15th calendar day of each month commencing July 15, 2017 and ending June 15, 2023 (i.e., 300,000/48 = 6,250 shares vest per month), except as provided in Section 5.c.ii immediately below.

ii. Accelerated Vesting on a Change in Control Transaction (defined below).

(a) The Warrant shall vest in full (prior to the date otherwise becoming time-vested above) immediately prior to the closing of a Change of Control Transaction involving the COMPANY (i.e., a sale of all or substantially all of the assets of the COMPANY or a merger, sale of shares or other transaction whereby the voting shareholders of the COMPANY, collectively, prior to the close of such transaction do not hold a majority voting interest in the post-transaction in the Company on a post-transaction basis.

d. Health Insurance. EXECUTIVE and her dependents shall be entitled to participate in the health insurance plan offered to COMPANY employees, and the Company will pay 90% of the premium related thereto.

e. 401(k). EXECUTIVE will be permitted to participate in the Company's 401(k) Plan upon the Board of Directors electing to institute it.

f. Business Expenses. COMPANY will reimburse EXECUTIVE for all reasonable business expenses directly incurred in performing EXECUTIVE's duties and promoting the business of COMPANY.

6. Termination of Employment.

a. In the event COMPANY should terminate EXECUTIVE's employment other than for "Cause" as defined in Section 6(b) below or EXECUTIVE resigns for "Good Reason" as defined in Section 6(c) below (either such termination a "Severance Termination"), EXECUTIVE shall receive the following:

i. Severance Termination prior to six (6) month anniversary of Effective Date shall result in the following:

(a) Accrued Obligations (defined in Section 6(d) below);

(b) Cash equal to the greater of (I) Annual Salary for one and one-half (1.5) years, payable 50% upon termination date, 25% at 90-day anniversary of termination date, and 25% at 180-day anniversary of termination date; and (II) the remaining Term of the Agreement; and

(c) Additional eighteen (18) months' vesting of Warrant.

b. COMPANY shall have the right to terminate EXECUTIVE's employment at any time for Cause by giving EXECUTIVE written notice of the effective date of termination. For the purposes of this Agreement, "Cause" shall mean:

i. Fraud, misappropriation, embezzlement or any other action of material misconduct against COMPANY or any of its affiliates or subsidiaries;

ii. Substantial willful failure to render services in accordance with the provisions of this Agreement (for which purpose, no act or omission to act will be "willful" if conducted in good faith or with a reasonable belief that such conduct was in the best interests of COMPANY), provided that:

(a) a written demand for performance has been delivered to EXECUTIVE at least ten (10) days prior to termination identifying the manner in which COMPANY believes that EXECUTIVE has failed to perform; and

(b) EXECUTIVE has thereafter failed to remedy such failure to perform;

iii. Material violation of any law, rule or regulation of any governmental or regulatory body material to the business of COMPANY;

iv. Conviction or a guilty plea or nolo contendere plea to a felony;

v. Repeated and persistent material failure to abide by the policies established by COMPANY after written warning from COMPANY;

vi. Any acts of violence or threats of violence made by EXECUTIVE against COMPANY or anyone associated with COMPANY's business;

vii. The solicitation or acceptance of payment or gratuity from any existing or potential customer or supplier of COMPANY without the prior written consent of COMPANY's Board of Director's; or

viii. Drug dependency or habitual insobriety.

c. EXECUTIVE shall have the right to terminate employment at any time without Good Reason by giving COMPANY written notice of the effective date of termination. For the purposes of this Agreement, "Good Reason" shall mean:

i. Any material adverse change in EXECUTIVE's title, duties or responsibilities (including reporting responsibilities);

ii. Any reduction of EXECUTIVE's Base Annual Salary;

iii. Any relocation, without EXECUTIVE's written consent, of EXECUTIVE's principal office of employment by more than 35 miles from the location applicable on the Effective Date; or

iv. Any failure of COMPANY to assign or of a successor of COMPANY to assume the obligations of COMPANY under this Agreement.

d. In the event of termination for Cause by COMPANY or termination without Good Reason by EXECUTIVE, EXECUTIVE shall be paid EXECUTIVE's Base Annual Salary and accrued vacation through the effective date of termination on the date of termination, EXECUTIVE's business expenses incurred through the date of termination in accordance with Section 3(g), and EXECUTIVE's accrued and vested employee benefits pursuant to Section 3(e) and (f) in accordance with the applicable benefit plan (collectively, all such amounts under this sentence being the "Accrued Obligations"). After the effective date of Termination, EXECUTIVE shall not be entitled to accrue or vest in any further salary, severance pay, stock options, benefits, fringe benefits or entitlements; provided that EXECUTIVE shall retain the right to exercise the portion of the Warrant that has vested as of the effective date of termination as provided above.

e. COMPANY may terminate EXECUTIVE's employment in the event that: (i) EXECUTIVE fails or is unable to perform EXECUTIVE's duties due to injury, illness or other incapacity for ninety (90) days in any twelve (12) month period (except that EXECUTIVE may be entitled to disability payments pursuant to COMPANY's disability plan, if any); or (ii) Death of EXECUTIVE .

7. Covenant of Confidentiality. All documents, records, files, manuals, forms, materials, supplies, computer programs, trade secrets and other information which comes into EXECUTIVE's possession from time to time during EXECUTIVE's employment by COMPANY and/or any of COMPANY's subsidiaries or affiliates, shall be deemed to be confidential and proprietary to COMPANY and shall remain the sole and exclusive property of COMPANY. EXECUTIVE acknowledges that all such confidential and proprietary information is confidential and proprietary and not readily available to COMPANY's business competitors. On the effective date of the termination of the employment relationship or at such other date as specified by COMPANY, EXECUTIVE agrees that she will return to COMPANY all such confidential and proprietary items (including, but not limited to, Company marketing material, business cards, keys, etc.) in her control or possession, and all copies thereof, and that she will not remove any such items from the offices of COMPANY.

8. Covenant of Non-Disclosure. Without the prior written approval of COMPANY EXECUTIVE except as required to discharge EXECUTIVE's duties under this Agreement, EXECUTIVE shall keep confidential and not disclose or otherwise make use of any of the confidential or proprietary information or trade secrets referred to in Section 7 nor reveal the same to any third party whomsoever, except as required by law.

9. Covenant of Non-Solicitation. During the Term of this Agreement and for a period of two (2) years following the effective date of termination, EXECUTIVE, either on EXECUTIVE's own account or for any person, firm, Company or other entity, shall not solicit, interfere with or induce, or attempt to induce, any EXECUTIVE of COMPANY, or any of its subsidiaries or affiliates to leave their employment or to breach their employment agreement, if any, with COMPANY.

10. Covenant of Cooperation. EXECUTIVE agrees to cooperate with COMPANY in any litigation or administrative proceedings involving any matters with which EXECUTIVE was involved during her employment by COMPANY. COMPANY shall reimburse EXECUTIVE for reasonable expenses incurred in providing such assistance.

11. Covenant Against Competition.

a. Scope and Term. During the Term of this Agreement and for an additional period ending one (1) year after the effective date of termination or expiration of this Agreement, whichever occurs first, EXECUTIVE shall not directly or indirectly engage in or become a partner, officer, principal, EXECUTIVE, consultant, investor, creditor or stockholder of any business, proprietorship, association, firm, corporation or any other business entity which is engaged or proposes to engage or hereafter engages in any business which competes with the business of COMPANY and/or any of COMPANY's subsidiaries or affiliates in any geographic area in which COMPANY conducts business at the time of the termination or expiration of the employment relationship.

12. Rights to Inventions.

a. Inventions Defined. "Inventions" means discoveries, concepts, and ideas, whether patentable or not, relating to any present or contemplated activity of COMPANY, including without limitation devices, processes, methods, formulae, techniques, and any improvements to the foregoing.

b. Application. This Section 11 shall apply to all Inventions made or conceived by EXECUTIVE, whether or not during the hours of her employment or with the use of COMPANY facilities, materials, or personnel, either solely or jointly with others, during the Term of her employment by COMPANY and for a period of one (1) year after any termination of such employment. This Section 12 does not apply to any invention disclosed in writing to COMPANY by EXECUTIVE prior to the execution of this Agreement.

c. Assignment. EXECUTIVE hereby assigns and agrees to assign to COMPANY all of her rights to Inventions and to all proprietary rights therein, based thereon or related thereto, including without limitation applications for United States and foreign letters patent and resulting letters patent.

d. Reports. EXECUTIVE shall inform COMPANY promptly and fully of each Invention by a written report, setting forth in detail the structures, procedures, and methodology employed and the results achieved ("Notice of Invention"). A report shall also be submitted by EXECUTIVE upon completion of any study or research project undertaken on COMPANY's behalf, whether or not in EXECUTIVE's opinion a given study or project has resulted in an Invention.

e. Patents. At COMPANY's request and expense, EXECUTIVE shall execute such documents and provide such assistance as may be deemed necessary by
COMPANY to apply for, defend or enforce any United States and foreign letters patent based on or related to such Inventions.

13. Remedies. Notwithstanding any other provision in this Agreement to the contrary, EXECUTIVE acknowledges and agrees that if EXECUTIVE commits a material breach of the Covenant of Confidentiality (Section 7), Covenant of Non-Disclosure (Section 8), Covenant of Non-Solicitation (Section 9), Covenant of Cooperation (Section 10), Covenant Against Competition (Section 11) or Rights to Inventions (Section 12), COMPANY shall have the right to have the obligations of EXECUTIVE specifically enforced by any court having jurisdiction on the grounds that any such breach will cause irreparable injury to COMPANY and money damages will not provide an adequate remedy. Such equitable remedies shall be in addition to any other remedies at law or equity, all of which remedies shall be cumulative and not exclusive. EXECUTIVE further acknowledges and agrees that the obligations contained in Sections 7 through 12, of this Agreement are fair, do not unreasonably restrict EXECUTIVE's future employment and business opportunities, and are commensurate with the compensation arrangements set out in this Agreement.

14. Survivability. Sections 7 through 13, of this Agreement, and Section 6 to the extent required to give effect thereto, shall survive termination of the employment relationship and this Agreement.

15. General Provisions.

a. Arbitration. Any controversy involving the construction, application, enforceability or breach of any of the terms, provisions, or conditions of this Agreement, including without limitation, claims for breach of contract, violation of public policy, breach of implied covenant, intentional infliction of emotional distress or any other alleged claims which are not settled by mutual agreement of the parties, shall be submitted to final and binding arbitration before a single arbitrator in accordance with the rules of the American Arbitration Association with respect to employment disputes in Los Angeles County, California. The cost of the arbitrator shall be borne by COMPANY, and each party shall be responsible for such party's own attorneys' fees and litigation costs (other than costs of arbitrator). In consideration of each party's agreement to submit to arbitration any and all disputes that arise under this Agreement, each party agrees that the arbitration provisions of this Agreement shall constitute her/its exclusive remedy and each party expressly waives the right to pursue redress of any kind in any other forum. The parties further agree that the arbitrator acting hereunder shall not be empowered to add to, subtract from, delete or in any other way modify the terms of this Agreement. Notwithstanding the foregoing, any party shall have the limited right to seek equitable relief in the form of a temporary restraining order or preliminary injunction in a court of competent jurisdiction to protect itself from actual or threatened irreparable injury resulting from an alleged breach of this Agreement pending a final decision in arbitration.

b. Authorization. COMPANY and EXECUTIVE each represent and warrant to the other that it has the authority, power and right to deliver, execute and fully perform the terms of this Agreement.

c. Entire Agreement. EXECUTIVE understands and acknowledges that this document constitutes the entire agreement between EXECUTIVE and COMPANY with regard to EXECUTIVE's employment by COMPANY and EXECUTIVE's post-employment activities concerning COMPANY. This Agreement supersedes any and all other written and oral agreements between the parties with respect to the subject matter hereof. Any and all prior agreements, promises, negotiations, or representations, either written or oral, relating to the subject matter of this Agreement not expressly set forth in this Agreement are of no force and effect. This Agreement may be altered, amended, or modified only in writing signed by all of the parties hereto. Any oral representations or modifications concerning this instrument shall be of no force and effect.

d. Severability. If any term, provision, covenant, or condition of this Agreement is held by a court or other tribunal of competent jurisdiction to be invalid, void, or unenforceable, the remainder of such provisions and all of the remaining provisions hereof shall remain in full force and effect to the fullest extent permitted by law and shall in no way be affected, impaired, or invalidated as a result of such decision.

e. Governing Law. Except to the extent that federal law may preempt California law, this Agreement and the rights and obligations hereunder shall be governed, construed and enforced in accordance with the laws of the State of California.

f. Taxes. All compensation payable hereunder is gross and shall be subject to such withholding taxes and other taxes as may be provided by law. EXECUTIVE shall be responsible for the payment of all taxes attributable to the compensation provided by this Agreement except for those taxes required by law to be paid or withheld by COMPANY.

g. Assignment. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of COMPANY. EXECUTIVE may not sell, transfer, assign, or pledge any of her rights or interests pursuant to this Agreement. In the event of EXECUTIVE's death, EXECUTIVE's estate shall succeed to all rights of EXECUTIVE as effective at such time (including under Sections 5(d), 5(e) and 6).

h. Waiver. Either party's failure to enforce any provision or provisions of this Agreement shall not in any way be construed as a waiver of any such provision or provisions, or prevent that party thereafter from enforcing such provision or provisions and each and every other provision of this Agreement.

i. Captions. Titles and headings to sections in this Agreement are for the purpose of reference only and shall in no way limit, define, or otherwise affect any provisions contained therein.

j. Breach - Right to Cure. A party shall be deemed in breach of this Agreement only upon the failure to perform any obligation under this Agreement after receipt of written notice of breach and failure to cure such breach within ten (10) days thereafter; provided, however, such notice shall not be required where a breach or threatened breach would cause irreparable harm to the other party and such other party may immediately seek equitable relief in a court of competent jurisdiction to enjoin such breach.

k. All notices, demands and all other communications required or otherwise provided for in this Agreement shall be in writing and shall be deemed to have been duly given when delivered either personally, by reputable overnight courier or three (3) business days after deposit via United States certified or registered mail, return receipt requested, postage prepaid, addressed as follows:

If to EXECUTIVE:

At EXECUTIVE's last known address shown on the Company's payroll records

If to the Company:

Attn: Gregory L. Hrncir; General Counsel Super League Gaming, Inc.
2906 Colorado Ave.
Santa Monica, CA 90404

or to such other address as any party may have furnished to the other in writing in accordance with this Agreement, except that notices of change of address shall be effective only upon receipt.

16. Acknowledgement. EXECUTIVE acknowledges that he has been given a reasonable period of time to study this Agreement before signing it. EXECUTIVE certifies that he has fully read, has received an explanation of, and completely understands the terms, nature, and effect of this Agreement. EXECUTIVE further acknowledges that he is executing this Agreement freely, knowingly, and voluntarily and that EXECUTIVE's execution of this Agreement is not the result of any fraud, duress, mistake, or undue influence whatsoever. In executing this Agreement, EXECUTIVE does not rely on any inducements, promises, or representations by COMPANY other than the terms and conditions of this Agreement.

17. Section 409A. The parties intend that all payments and benefits under this Agreement comply with Section 409A of the Code and the regulations promulgated thereunder (collectively "Section 409A") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted in a manner in compliance therewith. To the extent that any provision hereof is modified in order to comply with Section 409A, such modification shall be made in good faith and shall, to the maximum extent reasonably possible, maintain the original intent and economic benefit to EXECUTIVE and COMPANY of the applicable provision without violating the provisions of Section 409A. No amount shall be payable pursuant to Section 6 or otherwise upon a termination of EXECUTIVE's employment unless such termination constitutes a "separation from service" with COMPANY under Section 409A. To the maximum extent permitted by applicable law, amounts payable to EXECUTIVE pursuant to such Sections herein shall be made in reliance upon the exception for certain involuntary terminations under a separation pay plan or as short-term deferral under Section 409A. To the extent that reimbursements or other in-kind benefits under this Agreement constitute nonqualified deferred compensation, (i) all expenses or other reimbursements hereunder shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by EXECUTIVE, (ii) any right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (ii) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year shall in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year. For purposes of Section 409A, EXECUTIVE's right to receive installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. Any other provision of this Agreement to the contrary notwithstanding, in no event shall any payment or benefit under this Agreement that constitutes nonqualified deferred compensation for purposes of Section 409A be subject to offset by any other amount unless otherwise permitted by Section 409A.

18. Effective Only Upon Execution by Authorized Officer of COMPANY; Counterparts. This Agreement shall have no force or effect and shall be unenforceable in its entirety until it is executed by a duly authorized officer of COMPANY and such executed Agreement is delivered to EXECUTIVE. This Agreement may be executed in counterparts, each being an original and all such counterparts together constituting one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have read, understood, and voluntarily executed this Agreement as of the day and year first above written.

| **EXECUTIVE** | **COMPANY** |
| --- | --- |
| /s/ Ann Hand | By: /s/ David Steigelfest |
| Ann Hand | David Steigelfest |
| | Co-Founder & CTO |

**Exhibit A**

**Common Stock Purchase Warrant**

THE SECURITIES REPRESENTED BY THIS COMMON STOCK PURCHASE WARRANT HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF A REGISTRATION STATEMENT IN EFFECT WITH RESPECT TO THE SHARES UNDER THE SECURITIES ACT OR AN EXEMPTION FROM THE SECURITIES ACT. ANY SUCH TRANSFER MAY ALSO BE SUBJECT TO COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS AND THE LAWS OF OTHER APPLICABLE JURISDICTIONS.

**COMMON STOCK PURCHASE WARRANT**

For the Purchase of 300,000 Shares of Common Stock, $0.001 par value of

**SUPER LEAGUE GAMING, INC**.
A Delaware Corporation

For value received, **ANN HAND** (the "Holder"), or its assigns, is entitled to, on or before the date specified below on which this Common Stock Purchase Warrant (the "Warrant") expires, but not thereafter, to subscribe for, purchase and receive the number of fully paid and non-assessable shares of the common stock, $0.001 par value (the "Common Stock"), of Super League Gaming, Inc., a Delaware corporation (the "Company") set forth above, at a price of $3.60 per share (the "Exercise Price"), upon presentation and surrender of this Warrant and upon payment by wire transfer or bank check of the Exercise Price for such shares of Common Stock to the Company at its principal office. The Warrant will vest at the rate of 1/36th per month in arrears, subject to acceleration of all unvested shares upon a change of control of the Company consisting of a sale of all or substantially all of the assets of the Company, or a merger, sale of shares or other transaction whereby the voting shareholders of the Company, collectively, prior to the close of such transaction do not hold a majority voting interest in the Company on a post-transaction basis.

1. Exercise of Warrant. This Warrant may be exercised in whole or in part, from time to time and expressly subject to satisfaction of vesting conditions, commencing on the date hereof (the "Issue Date") and expiring on the tenth (10th) anniversary date hereof, by presentation and surrender hereof to the Company, with the Exercise Form annexed hereto duly executed and accompanied by payment by wire transfer or bank check of the Exercise Price for the number of shares specified in such form, together with all federal and state taxes applicable upon such exercise, if any. If this Warrant should be exercised in part only, the Company shall, upon surrender of this Warrant for cancellation, execute and deliver a new Warrant evidencing the right of the Holder to purchase the balance of the shares purchasable hereunder. Upon receipt by the Company

of this Warrant and the Exercise Price at the office of the Company, in proper form for exercise, the Holder shall be deemed to be the holder of record of the shares of Common Stock issuable upon such exercise, notwithstanding that certificates representing such shares of Common Stock shall not then be actually delivered to the Holder. If the subscription rights represented hereby shall not be exercised at or before 5:00 P.M., Pacific Time, on the expiration date specified above, this Warrant shall become void and without further force or effect, and all rights represented hereby shall cease and expire.

2. Rights of the Holder. Prior to exercise of this Warrant, the Holder shall not, by virtue hereof, be entitled to any rights of a shareholder in the Company, either at law or equity, and the rights of the Holder are limited to those expressed in this Warrant and are not enforceable against the Company except to the extent set forth herein.

3. Adjustment in Number of Shares.

(A) Adjustment for Reclassifications. In case at any time, or from time to time, after the Issue Date the holders of the Common Stock of the Company (or any shares of stock or other securities at the time receivable upon the exercise of this Warrant) shall have received, or, on or after the record date fixed for the determination of eligible stockholders, shall have become entitled to receive, without payment therefore, other or additional stock or other securities or property (including cash) by way of stock-split, spinoff, reclassification, combination of shares or similar corporate rearrangement (exclusive of any stock dividend of its or any subsidiary's capital stock), then and in each such case the Holder(s) of this Warrant, upon the exercise hereof as provided in Section 1, shall be entitled to receive the amount of stock and other securities and property which such Holder(s) would hold on the date of such exercise if on the Issue Date they had been the holder of record of the number of shares of Common Stock of the Company called for on the face of this Warrant and had thereafter, during the period from the Issue Date, to and including the date of such exercise, retained such shares and/or all other or additional stock and other securities and property receivable by them as aforesaid during such period, giving effect to all adjustments called for during such period. In the event of a declaration of a dividend payable in shares of any equity security of a subsidiary of the Company, then the Company may cause to be issued a warrant to purchase shares of the subsidiary ("Springing Warrant") in an amount equal to such number of shares of the subsidiary's securities to which the Holders would have been entitled, but conditioned upon the exercise of this Warrant as a prerequisite to receiving the shares issuable pursuant to the Springing Warrant.

(B) Adjustment for Reorganization, Consolidation, Merger. In case of any reorganization of the Company (or any other corporation the stock or other securities of which are at the time receivable on the exercise of this Warrant) after the Issue Date, or in case, after such date, the Company (or any such other corporation) shall consolidate with or merge into another corporation or convey all or substantially all of its assets to another corporation, then and in each such case the Holder(s) of this Warrant, upon the exercise hereof as provided in Section 1, at any time after the consummation of such reorganization, consolidation, merger or conveyance, shall be entitled to receive, in lieu of the stock or other securities and property receivable upon the exercise of this Warrant prior to such consummation, the stock or other securities or property to which such Holder(s) would be entitled had the Holders exercised this Warrant immediately prior thereto, all subject to further adjustment as provided herein; in each such case, the terms of this Warrant shall be applicable to the shares of stock or other securities or property receivable upon the exercise of this Warrant after such consummation.

4. Officer's Certificate. Whenever the number of shares of Common Stock issuable upon exercise of this Warrant or the Exercise Price shall be adjusted as required by the provisions hereof, the Company shall forthwith file in the custody of its Secretary at its principal office, an officer's certificate showing the adjusted number of shares of Common Stock or Exercise Price determined as herein provided and setting forth in reasonable detail the facts requiring such adjustment. Each such officer's certificate shall be made available at all reasonable times for inspection by the Holder(s) and the Company shall, forthwith after each such adjustment, deliver a copy of such certificate to the Holder(s). Such certificate shall be conclusive as to the correctness of such adjustment.

5. Restrictions on Transfer. Certificates for the shares of Common Stock to be issued upon exercise of this Warrant shall bear the following legend:

> THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF A REGISTRATION STATEMENT IN EFFECT WITH RESPECT TO THE SHARES UNDER THE SECURITIES ACT OR AN EXEMPTION FROM THE SECURITIES ACT. ANY SUCH TRANSFER MAY ALSO BE SUBJECT TO COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS AND THE LAWS OF OTHER APPLICABLE JURISDICTIONS.

The Holder, by acceptance hereof, agrees that, absent an effective registration statement under the Securities Act of 1933, as amended (the "Act"), covering the disposition of this Warrant or the Common Stock issued or issuable upon exercise hereof, such Holder(s) will not sell or transfer any or all of this Warrant or such Common Stock without first providing the Company with an opinion of counsel reasonably satisfactory to the Company to the effect that such sale or transfer will be exempt from the registration and prospectus delivery requirements of the Act. The Holder agrees that the certificates evidencing the Warrant and Common Stock which will be delivered to the Holder by the Company shall bear substantially the following legend: The Holder of this Warrant, at the time all or a portion of such Warrant is exercised, agrees to make such written representations to the Company as counsel for the Company may reasonably request, in order that the Company may be reasonably satisfied that such exercise of the Warrant and consequent issuance of Common Shares will not violate the registration and prospectus delivery requirements of the Act, or other applicable state securities laws.

6. Loss or Mutilation. Upon receipt by the Company of evidence satisfactory to it (in the exercise of reasonable discretion) of the ownership of and the loss, theft, destruction or mutilation of any Warrant and (in the case of loss, theft or destruction) of indemnity satisfactory to it (in the exercise of reasonable discretion), and (in the case of mutilation) upon surrender and cancellation thereof, the Company will execute and deliver in lieu thereof a new Warrant of like tenor.

7. Reservation of Common Stock. The Company shall at all times reserve and keep available for issue upon the exercise of the Warrants such number of its authorized but unissued shares of Common Stock as will be sufficient to permit the exercise in full of all outstanding Warrants.

8. Notices. All notices and other communications from the Company to the Holder of this Warrant shall be mailed by first class registered or certified mail, postage prepaid, to the address furnished to the Company in writing by the Holder.

9. Change; Waiver. Neither this Warrant nor any term hereof may be changed, waived, discharged or terminated orally but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought.

10. Law Governing. This Warrant shall be construed and enforced in accordance with and governed by the laws of Delaware.

IN WITNESS WHEREOF, the Company has caused this Warrant to be signed by its duly authorized officer on June 16, 2017.

SUPER LEAGUE GAMING, INC.

By: /s/ David Steigelfest
David Steigelfest
Co-Founder & CTO

NOTICE OF EXERCISE

TO: SUPER LEAGUE GAMING, INC. DATE: _____

The undersigned hereby elects irrevocably to exercise the within Warrant and to purchase _____ shares of the Common Stock of the Company called for thereby, and hereby makes payment by bank check or wire transfer in the amount of $_____ (at the rate of $3.60 per share of the Common Stock) in payment of the Exercise Price pursuant thereto. Please issue the shares of the Common Stock as to which this Warrant is exercised to:

_____

_____

_____

and if said number of Warrants shall not be all the Warrants evidenced by the Common Stock Purchase Warrant surrendered in connection with this exercise, then the Company shall issue a new Warrant Certificate for the balance remaining of such Warrants to _____ at the address stated above.

By: _____

Print Name: _____

# EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into effective as October 31, 2016 (the "Effective Date"), by and between Super League Gaming, Inc., a Delaware corporation ("COMPANY"), and David Steigelfest, an individual ("EXECUTIVE").

**WITNESSETH:**

WHEREAS, COMPANY and EXECUTIVE deem it to be in their respective best interests to enter into an agreement providing for COMPANY's employment of EXECUTIVE pursuant to the terms herein stated.

NOW, THEREFORE, in consideration of the premises and the mutual promises and agreements contained herein, it is hereby agreed as follows:

1. Term. COMPANY hereby employs and EXECUTIVE hereby accepts employment with COMPANY for a period of two (2) years beginning on the date hereof ("Term"). Unless COMPANY or EXECUTIVE provides written notice that this Agreement shall be allowed to expire and the employment relationship thereby terminated at least thirty (30) days prior to the expiration of the Term or any Renewal Term (as defined herein), this Agreement shall continue in effect for an additional term of one (1) year ("Renewal Term").

2. Duties of EXECUTIVE. EXECUTIVE's position with COMPANY shall be Chief Technology Officer. EXECUTIVE shall do and perform all services, acts, or things reasonably necessary or advisable to accomplish the objectives of the COMPANY's Board of Directors. The COMPANY reserves the right to change the role and title of EXECUTIVE at its sole discretion.

3. Devotion of Time to Company's Business. EXECUTIVE shall be a full-time EXECUTIVE of COMPANY and shall devote such substantial and sufficient amounts of his productive time, ability, and attention to the business of COMPANY during the Term of this Agreement as may be reasonable and necessary to accomplish the objectives and complete the tasks assigned to EXECUTIVE. EXECUTIVE may devote reasonable time to activities other than those required under this Agreement, including activities involving professional, charitable, community, educational, religious and similar types of organizations, speaking engagements, membership on the boards of directors of other organizations and similar types of activities to the extent that such activities do not inhibit or prohibit the performance of services under this Agreement.

4. Uniqueness of Services. EXECUTIVE hereby acknowledges that the services to be performed by him under the terms of this Agreement are of a special and unique value. Accordingly, the obligations of EXECUTIVE under this Agreement are non-assignable.

5. Compensation of EXECUTIVE.

a. Base Annual Salary. Subject to other specific provisions in this Agreement, as compensation for services hereunder, EXECUTIVE shall receive a Base Annual Salary of $270,000 payable in accordance with the Company's ordinary payroll practices (and in any event no less frequently than monthly). On each anniversary date hereof, EXECUTIVE's Base Annual Salary will be reviewed and may be increased at the sole discretion of the COMPANY'S Board of Directors.

b. Health Insurance. EXECUTIVE and his dependents shall be entitled to participate in the health insurance plan offered to COMPANY employees, and the Company will pay 50% of the premium related thereto.

c. 401(k). EXECUTIVE will be permitted to participate in the Company's 401(k) Plan upon the Board of Directors electing to institute it.

d. Business Expenses. COMPANY will reimburse EXECUTIVE for all reasonable business expenses directly incurred in performing EXECUTIVE's duties and promoting the business of COMPANY.

6 . Termination of Employment.

a. In the event COMPANY should terminate this Agreement other than for just "Cause" as defined in Section 6(b) below ("Termination without Cause"), EXECUTIVE shall receive the following: six (6) months of accelerated vesting of the Option from the date of termination.

b. COMPANY shall have the right to terminate EXECUTIVE's employment at any time for Cause by giving EXECUTIVE written notice of the effective date of Termination. For the purposes of this Agreement, "Cause" shall mean:

i. Fraud, misappropriation, embezzlement or any other action of material misconduct against COMPANY or any of its affiliates or subsidiaries;

ii. Substantial failure to render services in accordance with the provisions of this Agreement, provided that:

(a) a written demand for performance has been delivered to EXECUTIVE at least ten (10) days prior to termination identifying the manner in which COMPANY believes that EXECUTIVE has failed to perform; and

(b) EXECUTIVE has thereafter failed to remedy such failure to perform;

iii. Material violation of any law, rule or regulation of any governmental or regulatory body material to the business of COMPANY;

iv. Conviction or a guilty plea or nolo contendere plea to a felony;

v. Repeated and persistent failure to abide by the policies established by COMPANY after written warning from COMPANY;

vi. Any acts of violence or threats of violence made by EXECUTIVE against COMPANY or anyone associated with COMPANY's business;

vii. The solicitation or acceptance of payment or gratuity from any existing or potential customer or supplier of COMPANY without the prior written consent of COMPANY's Board of Director's.

viii. Drug dependency or habitual insobriety; or

ix. Gross incompetence.

(a) In the event of termination for cause, EXECUTIVE shall be paid EXECUTIVE's salary through the effective date of termination on the date of termination. After the effective date of Termination, EXECUTIVE shall not be entitled to accrue or vest in any further salary, severance pay, stock options, benefits, fringe benefits or entitlements; provided that EXECUTIVE shall retain the right to exercise any stock options which are vested as of the effective date of termination.

(b) This Agreement shall terminate automatically in the event that: (i) EXECUTIVE fails or is unable to perform EXECUTIVE 's duties due to injury, illness or other incapacity for ninety (90) days in any twelve (12) month period (except that EXECUTIVE may be entitled to disability payments pursuant to COMPANY's disability plan, if any); or (ii) Death of EXECUTIVE .

7. Covenant of Confidentiality. All documents, records, files, manuals, forms, materials, supplies, computer programs, trade secrets and other information which comes into EXECUTIVE's possession from time to time during EXECUTIVE's employment by COMPANY and/or any of COMPANY's subsidiaries or affiliates, shall be deemed to be confidential and proprietary to COMPANY and shall remain the sole and exclusive property of COMPANY. EXECUTIVE acknowledges that all such confidential and proprietary information is confidential and proprietary and not readily available to COMPANY's business competitors. On the effective date of the termination of the employment relationship or at such other date as specified by COMPANY, EXECUTIVE agrees that he will return to COMPANY all such confidential and proprietary items (including, but not limited to, Company marketing material, business cards, keys, etc.) in his control or possession, and all copies thereof, and that he will not remove any such items from the offices of COMPANY.

8. Covenant of Non-Disclosure. Without the prior written approval of COMPANY, EXECUTIVE shall keep confidential and not disclose or otherwise make use of any of the confidential or proprietary information or trade secrets referred to in Section 7 nor reveal the same to any third party whomsoever, except as required by law.

9. Covenant of Non-Solicitation. During the Term of this Agreement and for a period of two (2) years following the effective date of termination, EXECUTIVE, either on EXECUTIVE's own account or for any person, firm, Company or other entity, shall not solicit, interfere with or induce, or attempt to induce, any EXECUTIVE of COMPANY, or any of its subsidiaries or affiliates to leave their employment or to breach their employment agreement, if any, with COMPANY.

10. Covenant of Cooperation. EXECUTIVE agrees to cooperate with COMPANY in any litigation or administrative proceedings involving any matters with which EXECUTIVE was involved during his employment by COMPANY. COMPANY shall reimburse EXECUTIVE for reasonable expenses incurred in providing such assistance.

11. Covenant Against Competition.

a. Scope and Term. During the Term of this Agreement and for an additional period ending one (1) year after the effective date of termination or expiration of this Agreement, whichever occurs first, EXECUTIVE shall not directly or indirectly engage in or become a partner, officer, principal, EXECUTIVE, consultant, investor, creditor or stockholder of any business, proprietorship, association, firm, corporation or any other business entity which is engaged or proposes to engage or hereafter engages in any business which competes with the business of COMPANY and/or any of COMPANY's subsidiaries or affiliates in any geographic area in which COMPANY conducts business at the time of the termination or expiration of the employment relationship.

12. Rights to Inventions.

a. Inventions Defined. "Inventions" means discoveries, concepts, and ideas, whether patentable or not, relating to any present or contemplated activity of COMPANY, including without limitation devices, processes, methods, formulae, techniques, and any improvements to the foregoing.

b. Application. This Section 12 shall apply to all Inventions made or conceived by EXECUTIVE, whether or not during the hours of his employment or with the use of COMPANY facilities, materials, or personnel, either solely or jointly with others, during the Term of his employment by COMPANY and for a period of one (1) year after any termination of such employment. This Section 12 does not apply to any invention disclosed in writing to COMPANY by EXECUTIVE prior to the execution of this Agreement.

c. Assignment. EXECUTIVE hereby assigns and agrees to assign to COMPANY all of his rights to Inventions and to all proprietary rights therein, based thereon or related thereto, including without limitation applications for United States and foreign letters patent and resulting letters patent.

d. Reports. EXECUTIVE shall inform COMPANY promptly and fully of each Invention by a written report, setting forth in detail the structures, procedures, and methodology employed and the results achieved ("Notice of Invention"). A report shall also be submitted by EXECUTIVE upon completion of any study or research project undertaken on COMPANY's behalf, whether or not in EXECUTIVE's opinion a given study or project has resulted in an Invention.

e. Patents. At COMPANY's request and expense, EXECUTIVE shall execute such documents and provide such assistance as may be deemed necessary by COMPANY to apply for, defend or enforce any United States and foreign letters patent based on or related to such Inventions.

13. Remedies. Notwithstanding any other provision in this Agreement to the contrary, EXECUTIVE acknowledges and agrees that if EXECUTIVE commits a material breach of the Covenant of Confidentiality (Section 7), Covenant of Non-Disclosure (Section 8), Covenant of Non-Solicitation (Section 9), Covenant of Cooperation (Section 10), Covenant Against Competition (Section 11), or Rights to Inventions (Section 12), COMPANY shall have the right to have the obligations of EXECUTIVE specifically enforced by any court having jurisdiction on the grounds that any such breach will cause irreparable injury to COMPANY and money damages will not provide an adequate remedy. Such equitable remedies shall be in addition to any other remedies at law or equity, all of which remedies shall be cumulative and not exclusive. EXECUTIVE further acknowledges and agrees that the obligations contained in Sections 7 through 12, of this Agreement are fair, do not unreasonably restrict EXECUTIVE's future employment and business opportunities, and are commensurate with the compensation arrangements set out in this Agreement.

14. Survivability. Sections 7 through 13, of this Agreement shall survive termination of the employment relationship and this Agreement.

15. General Provisions.

a. Arbitration. Any controversy involving the construction, application, enforceability or breach of any of the terms, provisions, or conditions of this Agreement, including without limitation, claims for breach of contract, violation of public policy, breach of implied covenant, intentional infliction of emotional distress or any other alleged claims which are not settled by mutual agreement of the parties, shall be submitted to final and binding arbitration in accordance with the rules of the American Arbitration Association in Los Angeles County, California. The cost of arbitration shall be borne by the losing party. In consideration of each party's agreement to submit to arbitration any and all disputes that arise under this Agreement, each party agrees that the arbitration provisions of this Agreement shall constitute his/its exclusive remedy and each party expressly waives the right to pursue redress of any kind in any other forum. The parties further agree that the arbitrator acting hereunder shall not be empowered to add to, subtract from, delete or in any other way modify the terms of this Agreement. Notwithstanding the foregoing, any party shall have the limited right to seek equitable relief in the form of a temporary restraining order or preliminary injunction in a court of competent jurisdiction to protect itself from actual or threatened irreparable injury resulting from an alleged breach of this Agreement pending a final decision in arbitration.

b. Authorization. COMPANY and EXECUTIVE each represent and warrant to the other that he/it has the authority, power and right to deliver, execute and fully perform the terms of this Agreement.

c. Entire Agreement. EXECUTIVE understands and acknowledges that this document constitutes the entire agreement between EXECUTIVE and COMPANY with regard to EXECUTIVE's employment by COMPANY and EXECUTIVE's post-employment activities concerning COMPANY. This Agreement supersedes any and all other written and oral agreements between the parties with respect to the subject matter hereof. Any and all prior agreements, promises, negotiations, or representations, either written or oral, relating to the subject matter of this Agreement not expressly set forth in this Agreement are of no force and effect. This Agreement may be altered, amended, or modified only in writing signed by all of the parties hereto. Any oral representations or modifications concerning this instrument shall be of no force and effect.

d. Severability. If any term, provision, covenant, or condition of this Agreement is held by a court or other tribunal of competent jurisdiction to be invalid, void, or unenforceable, the remainder of such provisions and all of the remaining provisions hereof shall remain in full force and effect to the fullest extent permitted by law and shall in no way be affected, impaired, or invalidated as a result of such decision.

e. Governing Law. Except to the extent that federal law may preempt California law, this Agreement and the rights and obligations hereunder shall be governed, construed and enforced in accordance with the laws of the State of California.

f. Taxes. All compensation payable hereunder is gross and shall be subject to such withholding taxes and other taxes as may be provided by law. EXECUTIVE shall be responsible for the payment of all taxes attributable to the compensation provided by this Agreement except for those taxes required by law to be paid or withheld by COMPANY.

g. Assignment. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of COMPANY. EXECUTIVE may not sell, transfer, assign, or pledge any of his rights or interests pursuant to this Agreement.

h. Waiver. Either party's failure to enforce any provision or provisions of this Agreement shall not in any way be construed as a waiver of any such provision or provisions, or prevent that party thereafter from enforcing such provision or provisions and each and every other provision of this Agreement.

i. Captions. Titles and headings to sections in this Agreement are for the purpose of reference only and shall in no way limit, define, or otherwise affect any provisions contained therein.

j. Breach - Right to Cure. A party shall be deemed in breach of this Agreement only upon the failure to perform any obligation under this Agreement after receipt of written notice of breach and failure to cure such breach within ten (10) days thereafter; provided, however, such notice shall not be required where a breach or threatened breach would cause irreparable harm to the other party and such other party may immediately seek equitable relief in a court of competent jurisdiction to enjoin such breach.

16. Acknowledgement. EXECUTIVE acknowledges that he has been given a reasonable period of time to study this Agreement before signing it. EXECUTIVE certifies that he has fully read, has received an explanation of, and completely understands the terms, nature, and effect of this Agreement. EXECUTIVE further acknowledges that he is executing this Agreement freely, knowingly, and voluntarily and that EXECUTIVE's execution of this Agreement is not the result of any fraud, duress, mistake, or undue influence whatsoever. In executing this Agreement, EXECUTIVE does not rely on any inducements, promises, or representations by COMPANY other than the terms and conditions of this Agreement.

17. Effective Only Upon Execution by Authorized Officer of COMPANY. This Agreement shall have no force or effect and shall be unenforceable in its entirety until it is executed by a duly authorized officer of COMPANY and such executed Agreement is delivered to EXECUTIVE.

IN WITNESS WHEREOF, the parties hereto have read, understood, and voluntarily executed this Agreement as of the day and year first above written.

| **EXECUTIVE** | **COMPANY** |
|---|---|
| /s/ David Steigelfest<br>David Steigelfest<br>CEO & President | By: /s/ Ann Hand<br>Ann Hand |

**Exhibit 10.16**

**SUPER LEAGUE GAMING, INC. NOTE PURCHASE AGREEMENT**

This Note Purchase Agreement (this "***Agreement***") is made as of , by and among Super League Gaming, Inc., a Delaware corporation (the "***Company***"), and the investors listed on Exhibit A attached to this Agreement (each a "***Purchaser***" and together the "***Purchasers***").

The parties hereby agree as follows:

1. Purchase and Sale of 9% Secured Convertible Promissory Notes.

1.1 Sale and Issuance.

(a) Subject to the terms and conditions of this Agreement, each Purchaser agrees, severally and not jointly, to purchase at the Closing (as defined below), and the Company agrees to sell and issue to such Purchaser at such Closing, a 9% Secured Convertible Promissory Note (the "***Note***"), in the original principal amount set forth opposite such Purchaser's name on Exhibit A with respect to such Closing, and in the form attached hereto as Exhibit B, and a callable common stock purchase warrant in the form attached hereto as Exhibit C (the "***Warrant***"). The Notes issued to the Purchasers pursuant to this Agreement (including any Notes issued at the Initial Closing and any Additional Notes (as defined below) issued at Subsequent Closings (as defined below)) shall be referred to in this Agreement as the "***Notes***". The Warrants issued to the Purchasers pursuant to this Agreement (including any Warrants issued at the Initial Closing and any Additional Warrants (as defined below) issued at Subsequent Closings) shall be referred to in this Agreement as the "***Warrants***". The Notes and the Warrants shall be collectively referred to herein as the "***Securities***". The Company is authorized to sell and issue up to ten million dollars (**$10,000,000**) of Notes pursuant to this Agreement, along with accepting the conversion of three million dollars (**$3,000,000**) of issued and outstanding secured convertible promissory notes of the Company, plus accrued interest thereon.

**For the avoidance of doubt, the term "Purchaser" herein shall at all times include the pre- existing secured convertible noteholders of the Company that are converting their respective Notes into the Notes and Warrant issuable hereunder.**

1.2 Closings; Delivery.

(a) The purchase, sale and issuance of the Notes shall take place at one or more closings (each of which is referred to in this Agreement as a "***Closing***"). The initial Closing (the "***Initial Closing***") shall take place remotely via the exchange of documents and signatures on the date hereof, or at such other time and place as the Company and the Purchasers mutually agree, either orally or in writing.

(b) If less than all of the Notes are sold and issued at the Initial Closing, then the Company may sell and issue at one or more subsequent Closings (each a "***Subsequent Closing***"), on the same terms and conditions as those contained in this Agreement, up to the balance of the unissued Notes (the "***Additional Notes***"), and accompanying additional warrants ("***Additional Warrants***") to one or more Persons (as defined below) as may be approved by the Company in its

sole discretion (the "***Additional Purchasers***"), provided that (i) such Subsequent Closing is consummated on or before May 31, 2018, and (ii) each Additional Purchaser shall become a party to, and bound by, each of the Transaction Agreements (as defined below), in each case as of the date of such Subsequent Closing, by executing and delivering a counterpart signature page to each of the Transaction Agreements. Exhibit A to this Agreement shall be updated to reflect each Additional Purchaser and the number of Additional Notes purchased, and Additional Warrants issued, or to be purchased, by each Additional Purchaser at each applicable Subsequent Closing, and each such Additional Purchaser shall be deemed a Purchaser for all purposes under this Agreement as of the date of such Subsequent Closing.

(c) At each Closing, the Company shall deliver to each Purchaser participating in such Closing the following: (i) an executed Agreement; (ii) an executed Note in the form attached hereto as Exhibit B; (iii) an executed Warrant in the form attached hereto as Exhibit C; (iv) an executed Security Agreement in the form attached hereto as Exhibit D (the "***Security Agreement***"); (v) an executed Intercreditor and Collateral Agent Agreement in the form attached hereto as Exhibit E (the "***Intercreditor Agreement***"); (vi) an executed Investors Rights Agreement in the form attached hereto as Exhibit F (the "***Investors Rights Agreement***") representing the Note being purchased by such Purchaser at such Closing against payment of the purchase price therefor by wire transfer to the following bank account designated by the Company:

**Wells Fargo Bank, N.A. 11836**
**San Vicente Blvd. Los Angeles, CA 90049**
**Routing Number: #########**
**Account Number: #########**
**Account Name: Super League Gaming, Inc.**

1.3 Use of Proceeds. In accordance with the directions of the Board (as defined below), the Company will use the proceeds from the sale of the Notes for Business expansion, merger and acquisitions, game licensing, and working capital. None of the proceeds will be used to reduce any indebtedness outstanding as of the date of this Agreement (other than regularly scheduled payments pursuant to agreements in effect as of the date hereof, if any) or to make any dividend or distributions to any stockholders or Affiliates of the Company.

1.4 Lock-Up Restriction. To preserve an orderly trading market following the close of the Company's initial public offering ("***IPO***"), the Conversion Shares (as defined in the 9% Secured Convertible Promissory Note attached hereto as Exhibit B) and the Warrant Shares (as defined in the Callable Common Stock Purchase Warrant attached hereto as Exhibit C) (the Conversion Shares and the Warrant Shares are collectively referred to in this Section 1.4 as the "***Lock-Up Shares***") shall have the following lock-up restriction (i.e., before sales can be made in open market transactions): (i) 20% of the Lock-Up Shares made available for resale in the Company's Form 1-A filed with the Securities and Exchange Commission ("***SEC***") will become freely tradeable on each of the 60-day, 90-day, 120-day, 150-day and 180-day anniversaries of the IPO closing; and (ii) 20% of the Lock-Up Shares registered in the Company's registration statement on Form S-1 ("***S-1***"), to be filed within 45 days of the IPO closing with the SEC, will become freely tradeable on each of the 60-day, 90-day, 120-day, 150-day and 180- day anniversaries of the date the S-1 is declared effective by the SEC. All Lock-Up shares not included in the Company's Form 1-A shall be included in the Form S-1.

1.5 Defined Terms Used in this Agreement. In addition to the terms defined elsewhere in this Agreement, the following terms used in this Agreement shall be construed to have the meanings set forth or referenced below.

(a) "***Affiliate***" means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by or is under common control with such Person, including, without limitation, any general partner, managing member, officer or director of such Person, or such Person's principal, or any venture capital fund, financial investment firm or collective investment vehicle now or hereafter existing that is controlled by one or more general partners or managing members (or any affiliates thereof, which shall include any series or cell of a general partner or managing member that is structured as a series limited liability company) of, or shares the same management company with, such Person. For purposes of this definition, the terms "controlling," "controlled by," or "under common control with" shall mean the possession, directly or indirectly, of (i) the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise, or (ii) the power to elect or appoint at least 50% of the directors, managers, general partners, or Persons exercising similar authority with respect to such Person. For the avoidance of doubt, an "Affiliate" of a specified Person shall include (x) such Person's partners, members, stockholders, other equity owners, officers, directors, managers, former or retired partners, former or retired members, former or retired stockholders, former or retired other equity owners, and the estate of any of the foregoing and (y) a parent or subsidiary of a Person that is an entity

(b) "***Board***" means the board of directors of the Company.

(c) "***Code***" means the Internal Revenue Code of 1986, as amended.

(d) "***Company Covered Person***" means, with respect to the Company as an "issuer" for purposes of Rule 506 promulgated under the Securities Act, any Person listed in the first paragraph of Rule 506(d)(1).

(e) "***Company Intellectual Property***" means all patents, patent applications, trademarks, trademark applications, service marks, service mark applications, tradenames, copyrights, trade secrets, domain names, mask works, information and proprietary rights and processes, similar or other intellectual property rights, subject matter of any of the foregoing, tangible embodiments of any of the foregoing, licenses in, to and under any of the foregoing, and any and all such cases as are necessary to the Company in the conduct of the Company's business as now conducted and as presently proposed to be conducted.

(f) "***Intercreditor and Collateral Agent Agreement***" means the agreement among the Company and the Purchasers in the form of Exhibit E attached to this Agreement.

(g) "***Investors' Rights Agreement***" means the agreement among the Company and the Purchasers in the form of Exhibit F attached to this Agreement.

(h) "***Key Employee***" means any executive-level employee (including division director and vice president-level positions) as well as any employee or consultant who either alone or in concert with others develops, invents, programs or designs any Company Intellectual Property.

(i) "***Knowledge***" including the phrase "***to the Company's knowledge***" shall mean the actual knowledge, after reasonable investigation, of Ann Hand and David Steigelfest.

(j) "***Material Adverse Effect***" means a material adverse effect on the business, assets (including intangible assets), liabilities, financial condition, property, prospects, or results of operations of the Company.

(k) "***Person***" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

(l) "***Securities Act***" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

(m) "***Security Agreement***" means the agreement among the Company and the Purchasers in the form of Exhibit D attached to this Agreement.

(n) "***Transaction Agreements***" means this Agreement, the Note, the Warrant, the Security Agreement, the Intercreditor Agreement, the Collateral Agent Agreement, and the Investors' Rights Agreement.

2. Representations and Warranties of the Company . A Disclosure Schedule, attached as Exhibit G to this Agreement (each a "***Disclosure Schedule***"), shall be delivered to the Purchasers in connection with each Closing. Except as set forth on the Disclosure Schedule delivered to the Purchasers at the applicable Closing, which exceptions shall be deemed to be part of the representations and warranties made hereunder, the Company hereby represents and warrants to the Purchasers that the following representations are true and complete. The Disclosure Schedule shall be arranged in sections corresponding to the numbered and lettered sections contained in this Section 2, and the disclosures in any section of the Disclosure Schedule shall qualify other sections in this Section 2 only to the extent it is readily apparent from a reading of the disclosure that such disclosure is applicable to such other sections.

2.1 Organization, Good Standing, Corporate Power and Qualification . The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has all requisite corporate power and authority to carry on its business as presently conducted and as proposed to be conducted. The Company is duly qualified to transact business and is in good standing in each jurisdiction in which the failure to so qualify would have a Material Adverse Effect. The Company's good standing certificate with the State of Delaware dated February 16, 2018 is included herewith as Schedule 2.1.

2.2 Capitalization.

(a) The authorized capital of the Company consists, immediately prior to the Initial Closing, of 50,000,000 shares of Common Stock, $0.001 par value. Immediately prior to the Initial Closing, there are 13,810,487 shares of Common Stock issued and outstanding. In additional there are three million dollars ($3.000,000.00) of outstanding secured convertible promissory notes that are converting into the Securities. All of the outstanding shares of Common Stock have been duly authorized, are fully paid and nonassessable and were issued in compliance with all applicable federal and state securities laws. The Company holds no Common Stock in its treasury.

(b) The Company has reserved 4,500,000 shares of Common Stock for issuance to officers, directors, employees, consultants and other service providers of the Company pursuant to its 2014 Stock Option and Incentive Plan (the "***2014 Plan***"), duly adopted by the Board and approved by the Company stockholders. Of such reserved shares of Common Stock under the 2014 Plan, (i) zero shares have been issued pursuant to restricted stock purchase agreements, options to purchase 3,743,820 shares of common stock have been granted and are currently outstanding, 70,000 shares have been issued pursuant to stock option exercises, and 686,180 shares of Common Stock remain available for issuance to officers, directors, employees, consultants and other service providers of the Company pursuant to the 2014 Plan. The Company has furnished to the Purchasers complete and accurate copies of the 2014 Plan and forms of agreements used thereunder.

(c) Section 2.2(c) of the Disclosure Schedule sets forth the capitalization of the Company immediately prior to the Initial Closing including the number of shares of the following: (i) issued and outstanding Common Stock, including, with respect to restricted Common Stock, vesting schedule and repurchase price; (ii) granted stock options, including vesting schedule and exercise price; (iii) shares of Common Stock reserved for future award grants under the Stock Plans; and (iv) warrants or other rights to purchase any of the Company's authorized and unissued capital stock. Except for (A) the rights provided in Section 4 of the Investors' Rights Agreement, and (B) the securities and rights described in Section 2.2 of this Agreement and Section 2.2(c) of the Disclosure Schedule, there are no outstanding options, warrants, rights (including conversion or preemptive rights and rights of first refusal or similar rights) or agreements, orally or in writing, to purchase or acquire from the Company any shares of Common Stock, or any securities convertible into or exchangeable for shares of Common Stock.

(d) The Company has never adjusted or amended the exercise price of any stock options previously awarded, whether through amendment, cancellation, replacement grant, repricing, or any other means.

2.3 Subsidiaries. The Company does not currently own or control, directly or indirectly, any interest in any other corporation, partnership, trust, limited liability company, association, or other business entity. The Company is not a participant in any partnership or similar arrangement, other than license agreements with third parties in the ordinary course and scope of the Company's business.

2.4 Authorization. All corporate action required to be taken by the Board and stockholders in order to authorize the Company to enter into the Transaction Agreements, and to issue

the Notes at each Closing, has been taken or will be taken prior to the Initial Closing. All action on the part of the officers of the Company necessary for the execution and delivery of the Transaction Agreements, the performance of all obligations of the Company under the Transaction Agreements to be performed as of the Closing has been taken or will be taken prior to such Closing. The Transaction Agreements, when executed and delivered by the Company, shall constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their respective terms except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other laws of general application relating to or affecting the enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies, or (iii) to the extent the indemnification provisions contained in the Investors' Rights Agreement may be limited by applicable federal or state securities laws.

2.5 Valid Issuance of Securities.

(a) The Securities, when issued, sold and delivered in accordance with the terms and for the consideration set forth in this Agreement, will be validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer under the Transaction Agreements, applicable state and federal securities laws and liens or encumbrances created by or imposed by a Purchaser. Assuming the accuracy of the representations of the Purchasers in Section 3 of this Agreement and subject to the filings described in Section 2.6 below, the Securities will be issued in compliance with all applicable federal and state securities laws.

(b) No "bad actor" disqualifying event described in Rule 506(d)(1)(i)-(viii) of the Securities Act (a "***Disqualification Event***") is applicable to the Company or, to the Company's knowledge, any Company Covered Person, except for a Disqualification Event as to which Rule 506(d)(2)(ii–iv) or (d)(3), is applicable. The Company has exercised reasonable care, in accordance with SEC rules and guidance, to determine whether any Company Covered Person is subject to any Disqualification Event. The Company has complied, to the extent applicable, with any disclosure obligations under Rule 506(e) under the Securities Act.

2.6 Governmental Consents and Filings. Assuming the accuracy of the representations made by the Purchasers in Section 3 of this Agreement, no consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any federal, state or local governmental authority is required on the part of the Company in connection with the consummation of the transactions contemplated by this Agreement, except for (i) filings pursuant to Regulation D of the Securities Act, and applicable state securities laws, which will be made in a timely manner; and (ii) the filing of a financing statement on Form UCC-1 with the California Secretary of State on behalf of the Purchasers.

2.7 Litigation. There is no claim, action, suit, proceeding, arbitration, complaint, charge or investigation pending or, to the Company's knowledge, currently threatened (i) against the Company or any officer, director or Key Employee of the Company; or (ii) that questions the validity of the Transaction Agreements or the right of the Company to enter into them, or to consummate the transactions contemplated by the Transaction Agreements; or (iii) to the Company's knowledge, that would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect. Neither the Company nor, to the Company's knowledge, any of its officers, directors or Key

Employees is a party or is named as subject to the provisions of any order, writ, injunction, judgment or decree of any court or government agency or instrumentality (in the case of officers, directors or Key Employees, such as would affect the Company). There is no action, suit, proceeding or investigation by the Company pending or which the Company intends to initiate. The foregoing includes, without limitation, actions, suits, proceedings or investigations pending or threatened in writing (or any basis therefor known to the Company) involving the prior employment of any of the Company's employees, their services provided in connection with the Company's business, any information or techniques allegedly proprietary to any of their former employers or their obligations under any agreements with prior employers.

2.8 Intellectual Property. The Company owns or possesses sufficient legal rights to all Company Intellectual Property without (i) any conflict with, or infringement of, the rights of others, other than the rights of third parties in, to and under third-party patents and patent applications ("***Third-Party Patent Rights***"), and (ii) to the knowledge of the Company, any conflict with, or infringement of, any Third-Party Patent Rights. No product or service marketed or sold (or proposed to be marketed or sold) by the Company violates or will violate any license or infringes or will infringe (x) any intellectual property rights of any other party other than Third-Party Patent Rights and (y) to the knowledge of the Company, any Third-Party Patent Rights. Other than with respect to commercially available software products under standard end-user object code license agreements, there are no outstanding options, licenses, agreements, claims, encumbrances or shared ownership interests of any kind relating to the Company Intellectual Property, nor is the Company bound by or a party to any options, licenses or agreements of any kind with respect to the patents, trademarks, service marks, trade names, copyrights, trade secrets, licenses, information, proprietary rights and processes of any other Person. The Company is not aware of any violation by a third party of any Company Intellectual Property, and the Company has not received any communications alleging that the Company has violated or, by conducting its business, would violate any of the patents, trademarks, service marks, tradenames, copyrights, trade secrets, mask works or other proprietary rights or processes of any other Person. The Company has obtained and possesses valid licenses to use all of the software programs present on the computers and other software-enabled electronic devices that it owns or leases or that it has otherwise provided to its employees for their use in connection with the Company's business. It will not be necessary to use any inventions of any of its employees or consultants (or Persons it currently intends to hire) made prior to their employment by the Company. Each employee and consultant has assigned to the Company all intellectual property rights he or she owns that are related to the Company's business as now conducted and as presently proposed to be conducted. Section 2.8 of the Disclosure Schedule lists all Company patents, patent applications, trademarks, trademark applications, service marks, service mark applications, tradenames, domain names, copyrights, and licenses to and under any of the foregoing. The Company has not embedded, used or distributed any open source, copyleft or community source code (including, but not limited to, any libraries or code, software, technologies or other materials that are licensed or distributed under any General Public License, Lesser General Public License or similar license arrangement or other distribution model described by the Open Source Initiative at www.opensource.org) (collectively "***Open Source Software***") in, or in connection with, any of its products or services that are generally available or in development in any manner that would materially restrict the ability of the Company to protect its proprietary interests in any such product or service or in any manner that would (i) require, or purport to require, any Company Intellectual Property (other than the Open Source Software itself) to be disclosed or distributed in source code form, or to be licensed for the

purpose of making derivative works; (ii) restrict, or purport to restrict, the consideration that could be charged for the distribution or use of any Company Intellectual Property, or otherwise limit, or purport to limit, the use of any Company Intellectual Property for commercial purposes; (iii) create, or purport to create, any obligation on the Company with respect to any Company Intellectual Property owned by the Company, or otherwise grant, or purport to grant, to any third party any rights in or to, or immunities under, Company Intellectual Property owned by the Company; or (iv) impose, or purport to impose, any other limitation, restriction or condition on the right of the Company with respect to its use or distribution of any Company Intellectual Property. For purposes of this Section 2.8, the Company shall be deemed to have knowledge of a patent right if the Company has actual knowledge of the patent right or would be found to be on notice of such patent right as determined by reference to United States patent laws.

2.9 Compliance with Other Instruments. The Company is not in violation or default (i) of any provisions of its Amended & Restated Certificate of Incorporation ("**Restated Certificate**") or Bylaws, (ii) of any instrument, judgment, order, writ or decree, (iii) under any note, indenture or mortgage, or (iv) under any lease, agreement, contract or purchase order to which it is a party or by which it is bound that is required to be listed on the Disclosure Schedule, or (v) to its knowledge, of any provision of federal or state statute, rule or regulation applicable to the Company, the violation of which would have a Material Adverse Effect. The execution, delivery and performance of the Transaction Agreements and the consummation of the transactions contemplated by the Transaction Agreements will not result in any such violation or be in conflict with or constitute, with or without the passage of time and giving of notice, either (i) a default under any such provision, instrument, judgment, order, writ, decree, contract or agreement; or (ii) an event which results in the creation of any lien, charge or encumbrance upon any assets of the Company or the suspension, revocation, forfeiture, or nonrenewal of any material permit or license applicable to the Company.

2.10 Agreements; Actions.

(a) Except for the Transaction Agreements, issued and outstanding employment agreements with executives of the Company, the existing real property lease agreement for the Company's headquarters located at 2906 Colorado Ave., Santa Monica, CA 90404, there are no agreements, understandings, instruments, contracts or proposed transactions to which the Company is a party or by which it is bound that involve (i) obligations (contingent or otherwise) of, or payments to, the Company in excess of $100,000, or (ii) the grant of rights to manufacture, produce, assemble, license, market, or sell its products to any other Person that limit the Company's exclusive right to develop, manufacture, assemble, distribute, market or sell its products.

(b) The Company has not (i) declared or paid any dividends or authorized or made any distribution upon or with respect to any class or series of its capital stock, or (ii) sold, exchanged or otherwise disposed of any of its assets or rights, other than the sale of its inventory in the ordinary course of business.

(c) The Company is not a guarantor or indemnitor of any indebtedness of any other Person.

2.11 Certain Transactions.

(a) Other than (i) standard employee benefits generally made available to all employees, (ii) executive employment agreements for Ann Hand and David Steigelfest, (iii) standard director and officer indemnification agreements approved by the Board, and (iv) the purchase of shares of the Company's capital stock and the issuance of options and warrants to purchase shares of the Company's Common Stock, in each instance, approved in the written minutes of the Board, there are no agreements, understandings or proposed transactions between the Company and any of its officers, directors, consultants or Key Employees, or any Affiliate thereof.

(b) The Company is not indebted, directly or indirectly, to any of its directors, officers or employees or to their respective spouses or children or to any Affiliate of any of the foregoing, other than in connection with expenses or advances of expenses incurred in the ordinary course of business or employee relocation expenses and for other customary employee benefits made generally available to all employees. None of the Company's directors, officers or employees, or any members of their immediate families, or any Affiliate of the foregoing are, directly or indirectly, indebted to the Company or, to the Company's knowledge, have any (i) material commercial, industrial, banking, consulting, legal, accounting, charitable or familial relationship with any of the Company's customers, suppliers, service providers, joint venture partners, licensees and competitors, (ii) direct or indirect ownership interest in any firm or corporation with which the Company is affiliated or with which the Company has a business relationship, or any firm or corporation which competes with the Company except that directors, officers or employees or stockholders of the Company may own stock in (but not exceeding two percent (2%) of the outstanding capital stock of) publicly traded companies that may compete with the Company or (iii) financial interest in any material contract with the Company.

2.12 Rights of Registration and Voting Rights. Except as provided in the Investors' Rights Agreement, and in Section 2.12 of the Disclosure Schedule, the Company is not under any obligation to register under the Securities Act any of its currently outstanding securities or any securities issuable upon exercise or conversion of its currently outstanding securities. To the Company's knowledge, no stockholder of the Company has entered into any agreements with respect to the voting of capital shares of the Company.

2.13 Property. The property and assets that the Company owns are free and clear of all mortgages, deeds of trust, liens, loans and encumbrances, except for statutory liens for the payment of current taxes that are not yet delinquent and encumbrances and liens that arise in the ordinary course of business and do not materially impair the Company's ownership or use of such property or assets. With respect to the property and assets it leases, the Company is in compliance with such leases and, to its knowledge, holds a valid leasehold interest free of any liens, claims or encumbrances other than those of the lessors of such property or assets. The Company does not own any real property.

2.14 Financial Statements. The Company has delivered to each Purchaser its audited financial statements for the fiscal years ended December 31, 2015 and December 31, 2016 and its unaudited financial statements (including balance sheet, income statement and statement of stockholders' equity) for the fiscal year ended December 31, 2017 (collectively, the "***Financial Statements***"). The Financial Statements have been prepared in accordance with generally accepted

accounting principles ("***GAAP***") applied on a consistent basis throughout the periods indicated, except that the Financial Statements may not contain all footnotes required by GAAP. The Financial Statements fairly present in all material respects the financial condition and operating results of the Company as of the dates, and for the periods, indicated therein, subject to normal year-end audit adjustments. Except as set forth in the Financial Statements, the Company has no material liabilities or obligations, contingent or otherwise, other than (i) liabilities incurred in the ordinary course of business subsequent to December 31, 2017; (ii) obligations under contracts and commitments incurred in the ordinary course of business; and (iii) liabilities and obligations of a type or nature not required under GAAP to be reflected in the Financial Statements, which, in all such cases, individually and in the aggregate would not have a Material Adverse Effect. The Company maintains and will continue to maintain a standard system of accounting established and administered in accordance with GAAP.

2.15 Changes. Since December 31, 2017, there has not been:

(a) any change in the assets, liabilities, financial condition or operating results of the Company, except changes in the ordinary course of business that have not caused, in the aggregate, a Material Adverse Effect;

(b) any damage, destruction or loss, whether or not covered by insurance, that would have a Material Adverse Effect;

(c) any waiver or compromise by the Company of a valuable right or of a material debt owed to it;

(d) any satisfaction or discharge of any lien, claim, or encumbrance or payment of any obligation by the Company, except in the ordinary course of business and the satisfaction or discharge of which would not have a Material Adverse Effect;

(e) any material change to a material contract or agreement by which the Company or any of its assets is bound or subject;

(f) any material change in any compensation arrangement or agreement with any employee, officer, director or stockholder;

(g) any mortgage, pledge, transfer of a security interest in, or lien, created by the Company, with respect to any of its material properties or assets, except liens for taxes not yet due or payable and liens that arise in the ordinary course of business and do not materially impair the Company's ownership or use of such property or assets;

(h) any loans or guarantees made by the Company to or for the benefit of its employees, officers or directors, or any members of their immediate families, other than travel advances and other advances made in the ordinary course of its business;

(i) any declaration, setting aside or payment or other distribution in respect of any of the Company's capital stock, or any direct or indirect redemption, purchase, or other acquisition of any of such stock by the Company;

(j) any sale, assignment or transfer of any Company Intellectual Property that could reasonably be expected to result in a Material Adverse Effect;

(k) receipt of notice that there has been a loss of, or material order cancellation by, any major customer of the Company;

(l) to the Company's knowledge, any other event or condition of any character, other than events affecting the economy or the Company's industry generally, that could reasonably be expected to result in a Material Adverse Effect; or

(m) any arrangement or commitment by the Company to do any of the things described in this Subsection 2.15.

2.16 Employee Matters.

(a) As of the April 1, 2018, the Company employs 41 full-time employees and has five (5) consultants or independent contractors.

(b) To the Company's knowledge, none of its employees is obligated under any contract (including licenses, covenants or commitments of any nature) or other agreement, or subject to any judgment, decree or order of any court or administrative agency, that would materially interfere with such employee's ability to promote the interest of the Company or that would conflict with the Company's business. Neither the execution or delivery of the Transaction Agreements, nor the carrying on of the Company's business by the employees of the Company, nor the conduct of the Company's business as now conducted and as presently proposed to be conducted, will, to the Company's knowledge, conflict with or result in a breach of the terms, conditions, or provisions of, or constitute a default under, any contract, covenant or instrument under which any such employee is now obligated.

(c) The Company is not delinquent in payments to any of its employees, consultants, or independent contractors for any wages, salaries, commissions, bonuses, or other direct compensation for any service performed for it to the date hereof or amounts required to be reimbursed to such employees, consultants or independent contractors. The Company has complied in all material respects with all applicable state and federal equal employment opportunity laws and with other laws related to employment, including those related to wages, hours, worker classification and collective bargaining. The Company has withheld and paid to the appropriate governmental entity or is holding for payment not yet due to such governmental entity all amounts required to be withheld from employees of the Company and is not liable for any arrears of wages, taxes, penalties or other sums for failure to comply with any of the foregoing.

(d) To the Company's knowledge, no Key Employee intends to terminate employment with the Company or is otherwise likely to become unavailable to continue as a Key Employee, nor does the Company have a present intention to terminate the employment of any of the foregoing. The employment of each employee of the Company is terminable at the will of the Company, other than executives who have employment agreements with the Company.

(e) The Company has not made any representations regarding equity incentives to any officer, employee, director or consultant that are inconsistent with the share amounts and terms set forth in the minutes of meetings of the Board.

(f) Each former Key Employee whose employment was terminated by the Company has entered into an agreement with the Company providing for the full release of any claims against the Company or any related party arising out of such employment.

(g) Section 2.166(g) of the Disclosure Schedule sets forth each employee benefit plan maintained, established or sponsored by the Company, or which the Company participates in or contributes to, which is subject to the Employee Retirement Income Security Act of 1974, as amended ("***ERISA***"). The Company has made all required contributions and has no liability to any such employee benefit plan, other than liability for health plan continuation coverage described in Part 6 of Title I(B) of ERISA and has complied in all material respects with all applicable laws for any such employee benefit plan.

(h) The Company is not bound by or subject to (and none of its assets or properties is bound by or subject to) any written or oral, express or implied, contract, commitment or arrangement with any labor union, and no labor union has requested or, to the knowledge of the Company, has sought to represent any of the employees, representatives or agents of the Company. There is no strike or other labor dispute involving the Company pending, or to the Company's knowledge, threatened, which could have a Material Adverse Effect, nor is the Company aware of any labor organization activity involving its employees.

(i) None of the Key Employees or officers or directors of the Company has been (i) subject to voluntary or involuntary petition under the federal bankruptcy laws or any state insolvency law or the appointment of a receiver, fiscal agent or similar officer by a court for his business or property; (ii) convicted in a criminal proceeding or named as a subject of a pending criminal proceeding (excluding traffic violations and other minor offenses); (iii) subject to any order, judgment or decree (not subsequently reversed, suspended, or vacated) of any court of competent jurisdiction permanently or temporarily enjoining him from engaging, or otherwise imposing limits or conditions on his engagement in any securities, investment advisory, banking, insurance, or other type of business or acting as an officer or director of a public company; or (iv) found by a court of competent jurisdiction in a civil action or by the Securities and Exchange Commission or the Commodity Futures Trading Commission to have violated any federal or state securities, commodities, or unfair trade practices law, which such judgment or finding has not been subsequently reversed, suspended, or vacated.

2.17 Tax Returns and Payments. There are no federal, state, county, local or foreign taxes due and payable by the Company which have not been timely paid, excluding approximately $40,000 of state and local taxes relating to ticket sales from prior periods. There are no accrued and unpaid federal, state, country, local or foreign taxes of the Company which are due, whether or not assessed or disputed. There have been no examinations or audits of any tax returns or reports by any applicable federal, state, local or foreign governmental agency. The Company has duly and timely filed all federal, state, county, local and foreign tax returns required to have been filed by it and there are in effect no waivers of applicable statutes of limitations with respect to taxes for any year.

2.18 Insurance. The Company has in full force and effect fire and casualty insurance policies with extended coverage, sufficient in amount (subject to reasonable deductions) to allow it to replace any of its properties that might be damaged or destroyed.

2.19 Employee Agreements. Each current and former employee, consultant and officer of the Company has executed an agreement with the Company regarding confidentiality and proprietary information (collectively, the "***Confidential Information Agreements***"). No current or former Key Employee has excluded works or inventions from his or her assignment of inventions pursuant to such Key Employee's Confidential Information Agreement. Each current and former Key Employee has executed a non-solicitation agreement. The Company is not aware that any of its Key Employees is in violation of any agreement covered by this Section 2.199.

2.20 Permits. The Company has all franchises, permits, licenses and any similar authority necessary for the conduct of its business, the lack of which could reasonably be expected to have a Material Adverse Effect. The Company is not in default in any material respect under any of such franchises, permits, licenses or other similar authority.

2.21 Corporate Documents. The copy of the minute books of the Company provided to the Purchasers contains minutes of all meetings of directors and stockholders and all actions by written consent without a meeting by the directors and stockholders since the date of incorporation and accurately reflects in all material respects all actions by the directors (and any committee of directors) and stockholders with respect to all transactions referred to in such minutes.

2.22 Environmental and Safety Laws. (a) The Company is and has been in compliance with all Environmental Laws; (b) there has been no release or threatened release of any pollutant, contaminant or toxic or hazardous material, substance or waste or petroleum or any fraction thereof (each a "***Hazardous Substance***"), on, upon, into or from any site currently or heretofore owned, leased or otherwise used by the Company; (c) there have been no Hazardous Substances generated by the Company that have been disposed of or come to rest at any site that has been included in any published U.S. federal, state or local "superfund" site list or any other similar list of hazardous or toxic waste sites published by any governmental authority in the United States; and (d) there are no underground storage tanks located on, no polychlorinated biphenyls ("***PCBs***") or PCB-containing equipment used or stored on, and no hazardous waste as defined by the Resource Conservation and Recovery Act, as amended, stored on, any site owned or operated by the Company, except for the storage of hazardous waste in compliance with Environmental Laws. The Company has made available to the Purchasers true and complete copies of all material environmental records, reports, notifications, certificates of need, permits, pending permit applications, correspondence, engineering studies and environmental studies or assessments.

For purposes of this Section 2.22, "***Environmental Laws***" means any law, regulation, or other applicable requirement relating to (a) releases or threatened release of Hazardous Substance; (b) pollution or protection of employee health or safety, public health or the environment; or (c) the manufacture, handling, transport, use, treatment, storage, or disposal of Hazardous Substances.

2.23 Qualified Small Business Stock. As of and immediately following each Closing: (i) the Company will be an eligible corporation as defined in Section 1202(e)(4) of the Code, (ii) the Company will not have made purchases of its own stock described in Code Section

1202(c)(3)(B) during the one-year period preceding the Initial Closing, except for purchases that are disregarded for such purposes under Treasury Regulation Section 1.1202-2 and (iii) the Company's aggregate gross assets, as defined by Code Section 1202(d)(2), at no time between its incorporation and through the Initial Closing have exceeded $50 million, taking into account the assets of any corporations required to be aggregated with the Company in accordance with Code Section 1202(d)(3); *provided, however*, that in no event shall the Company be liable to the Purchasers or any other party for any damages arising from any subsequently proven or identified error in the Company's determination with respect to the applicability or interpretation of Code Section 1202, unless such determination shall have been given by the Company in a manner either grossly negligent or fraudulent.

2.24 Data Privacy. In connection with its collection, storage, transfer (including without limitation, any transfer across national borders) and/or use of any personally identifiable information from any individuals, including, without limitation, any customers, prospective customers, employees and/or other third parties (collectively, "***Personal Information***"), the Company is and has been in compliance with all applicable laws in all relevant jurisdictions, the Company's privacy policies, and the requirements of any contract or codes of conduct to which the Company is a party. The Company has commercially reasonable physical, technical, organizational and administrative security measures and policies in place to protect all Personal Information collected by it or on its behalf from and against unauthorized access, use and/or disclosure. The Company is and has been in compliance in all material respects with all laws relating to data loss, theft and breach of security notification obligations.

2.25 Disclosure. The Company has made available to the Purchasers all the information reasonably available to the Company that the Purchasers have requested for deciding whether to acquire the Notes, including certain of the Company's projections describing its proposed business plan (the "***Business Plan***"). No representation or warranty of the Company contained in this Agreement, as qualified by the Disclosure Schedule, and no certificate furnished or to be furnished to Purchasers at any Closing contains any untrue statement of a material fact or, to the Company's knowledge, omits to state a material fact necessary in order to make the statements contained herein or therein not misleading in light of the circumstances under which they were made. The Business Plan was prepared in good faith; however, the Company does not warrant that it will achieve any results projected in the Business Plan. It is understood that this representation is qualified by the fact that the Company has not delivered to the Purchasers, and has not been requested to deliver, a private placement or similar memorandum or any written disclosure of the types of information customarily furnished to purchasers of securities.

3. Representations and Warranties of the Purchasers. Each Purchaser hereby represents and warrants to the Company, severally and not jointly, that:

3.1 Authorization. The Purchaser has full power and authority to enter into the Transaction Agreements. The Transaction Agreements to which the Purchaser is a party, when executed and delivered by the Purchaser, will constitute valid and legally binding obligations of the Purchaser, enforceable in accordance with their terms, except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the

availability of specific performance, injunctive relief or other equitable remedies, or (b) to the extent the indemnification provisions contained in the Investors' Rights Agreement may be limited by applicable federal or state securities laws.

3.2 Purchase Entirely for Own Account. This Agreement is made with the Purchaser in reliance upon the Purchaser's representation to the Company, which by the Purchaser's execution of this Agreement, the Purchaser hereby confirms, that the Notes to be acquired by the Purchaser will be acquired for investment for the Purchaser's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that the Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same in violation of applicable securities laws. By executing this Agreement, the Purchaser further represents that the Purchaser does not presently have any contract, undertaking, agreement or arrangement with any Person to sell, transfer or grant participations to such Person or to any third Person, with respect to any of the Notes. The Purchaser has not been formed for the specific purpose of acquiring the Notes.

3.3 Disclosure of Information. The Purchaser has had an opportunity to discuss the Company's business, management, financial affairs and the terms and conditions of the offering of the Notes with the Company's management and has had an opportunity to review the Company's facilities. The foregoing, however, does not limit or modify the representations and warranties of the Company in Section 2 of this Agreement or the right of the Purchasers to rely thereon.

3.4 Restricted Securities. The Purchaser understands that the Securities, and the shares of common stock issuable upon conversion and exercise of the Notes and Warrants, respectively, have not been, and will not be, registered under the Securities Act, by reason of a specific exemption from the registration provisions of the Securities Act which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of the Purchaser's representations as expressed herein. The Purchaser understands that the Notes are "restricted securities" under applicable U.S. federal and state securities laws and that, pursuant to these laws, the Purchaser must hold the Securities, and the shares of common stock issuable upon conversion and exercise of the Notes and Warrants, respectively, must be held indefinitely unless they are registered with the Securities and Exchange Commission and qualified by state authorities, or an exemption from such registration and qualification requirements is available. The Purchaser acknowledges that the Company has no obligation to register or qualify the Notes, Warrants or the shares of common stock issuable upon conversion of the Notes and Warrants, respectively, for resale except as set forth in the Investors' Rights Agreement. The Purchaser further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the shares of common stock issuable upon the conversion and exercise of the Notes and Warrants, respectively, and on requirements relating to the Company which are outside of the Purchaser's control, and which the Company is under no obligation and may not be able to satisfy.

3.5 No Public Market. The Purchaser understands that no public market now exists for the Securities, and that the Company has made no assurances that a public market will ever exist for the Securities, or the shares of common stock issuable upon conversion and exercise of the Notes and Warrants, respectively.

3.6 Legends. The Purchaser understands that the Securities, and any securities issued in respect of or exchange for the Securities, may be notated with a legend similar to the following:

"THE SHARES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH TRANSFER MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933, AS AMENDED."

(a) Any legend set forth in, or required by, the other Transaction Agreements.

(b) Any legend required by the securities laws of any state to the extent such laws are applicable to the Securities represented by the certificate, instrument, or book entry so legended.

3.7 Accredited Investor. The Purchaser is an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act.

3.8 No General Solicitation. Neither the Purchaser, nor any of its officers, directors, employees, agents, stockholders or partners has either directly or indirectly, including, through a broker or finder (a) engaged in any general solicitation, or (b) published any advertisement in connection with the offer and sale of the Notes.

3.9 Exculpation Among Purchasers. The Purchaser acknowledges that it is not relying upon any Person, other than the Company and its officers and directors, in making its investment or decision to invest in the Company. The Purchaser agrees that neither any Purchaser nor the respective controlling Persons, officers, directors, partners, agents, or employees of any Purchaser shall be liable to any other Purchaser for any action heretofore taken or omitted to be taken by any of them in connection with the purchase of the Notes.

3.10 Residence. If the Purchaser is an individual, then the Purchaser resides in the state or province identified in the address of the Purchaser set forth on Exhibit A; if the Purchaser is a partnership, corporation, limited liability company or other entity, then the office or offices of the Purchaser in which its principal place of business is identified in the address or addresses of the Purchaser set forth on Exhibit A.

4. Conditions to the Purchasers' Obligations at Closing. The obligations of each Purchaser to purchase Notes at any Closing are subject to the fulfillment, on or before such Closing, of each of the following conditions, unless otherwise waived by such Purchaser:

4.1 Representations and Warranties.

(a) With respect to the Initial Closing, except as set forth in or modified by the Disclosure Schedule delivered to the Purchasers at the Initial Closing, the representations and warranties of the Company contained in Section 2 shall be true and correct in all respects as of the date of the Initial Closing.

(b) With respect to any Subsequent Closing, except as set forth in or modified by the Disclosure Schedule delivered to the Purchasers at the Initial Closing (or, if necessary, an updated version of the Disclosure Schedule delivered to the Purchasers participating in such Subsequent Closing along with the certificate described in Section 4.3(b)), the representations and warranties made by the Company in Section 2 shall be true and correct in all material respects (without giving effect to any limitation as to "materiality" or Material Adverse Effect set forth therein) on and as of the date of such Subsequent Closing as though such representations and warranties were made on and as of such date (other than those representations and warranties of the Company contained in Section 2 made as of a specified date or made only with respect to a specified period of time, which need only be true and correct in all material respects (without giving effect to any limitation as to "materiality" or Material Adverse Effect set forth therein) as of such specified date or with respect to such specified period of time).

4.2 Performance. The Company shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by the Company on or before such Closing.

4.3 Compliance Certificate.

(a) With respect to the Initial Closing, the President of the Company shall deliver to the Purchasers participating in the Initial Closing a certificate certifying that the conditions specified in Sections 4.1(a) and 4.2 have been fulfilled.

(b) With respect to any Subsequent Closing, the President of the Company shall deliver to the Purchasers participating in such Subsequent Closing a certificate certifying that the conditions specified in Sections 4.1(b) and 4.2 have been fulfilled.

4.4 Qualifications. All authorizations, approvals or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance and sale of the Notes pursuant to this Agreement shall be obtained and effective as of such Closing.

4.5 Board of Directors. As of the Initial Closing, the authorized size of the Board shall be six (6), and the Board shall be comprised of Ann Hand, David Steigelfest, Jeff Gehl, Robert Stewart, John Miller and Marc Cummins.

4.6 Investors' Rights Agreement. The Company and each Purchaser shall have executed and delivered the Investors' Rights Agreement.

4.7 Secretary's Certificate. The Secretary of the Company shall have delivered to the Purchasers at the Initial Closing a certificate certifying (i) the Bylaws of the Company, and (ii)

resolutions of the Board approving the Transaction Agreements and the transactions contemplated under the Transaction Agreements.

4.8 Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated at such Closing and all documents incident thereto shall be reasonably satisfactory in form and substance to each Purchaser, and each Purchaser (or its counsel) shall have received all such counterpart original and certified or other copies of such documents as reasonably requested. Such documents may include good standing certificates.

5. Conditions of the Company's Obligations at Closing. The obligations of the Company to sell Notes to the Purchasers at any Closing are subject to the fulfillment, on or before such Closing, of each of the following conditions, unless otherwise waived:

5.1 Representations and Warranties. The representations and warranties of each Purchaser contained in Section 3 shall be true and correct in all respects as of such Closing.

5.2 Performance. The Purchasers shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by them on or before such Closing.

5.3 Qualifications. All authorizations, approvals or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance and sale of the Notes pursuant to this Agreement shall be obtained and effective as of such Closing.

5.4 Investors' Rights Agreement. Each Purchaser shall have executed and delivered the Investors' Rights Agreement.

6. Miscellaneous.

6.1 Survival of Warranties. Unless otherwise set forth in this Agreement, the representations and warranties of the Company and the Purchasers contained in or made pursuant to this Agreement shall survive the execution and delivery of this Agreement and each Closing and shall in no way be affected by any investigation or knowledge of the subject matter thereof made by or on behalf of the Purchasers or the Company.

6.2 Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

6.3 Governing Law. This Agreement shall be governed by and construed under the internal laws of the State of Delaware, irrespective of conflict of law principles.

6.4 Counterparts. This Agreement may be executed and delivered via (i) the DocuSign digital signature service, or (ii) by facsimile signature and in two (2) or more counterparts,

each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.5 Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

6.6 Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt, or (a) personal delivery to the party to be notified, (b) when sent, if sent by electronic mail or facsimile during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) business day after deposit with a nationally recognized overnight courier, freight prepaid, specifying next business day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their address as set forth on the signature page or Exhibit A, or to such e-mail address, facsimile number or address as subsequently modified by written notice given in accordance with this Section 6.6. If notice is given to the Company, a copy shall also be sent to Ann Hand, President & CEO, Super League Gaming, Inc., 2906 Colorado Ave., Santa Monica, CA 90404, ann.hand@superleague.com.

6.7 Attorneys' Fees. If any action at law or in equity (including, arbitration) is necessary to enforce or interpret the terms of any of the Transaction Agreements, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

6.8 Amendments and Waivers. Any term of this Agreement may be amended, terminated or waived only with the written consent of the Company and (a) the holders of at least a majority of the then-outstanding Notes or (b) for an amendment, termination or waiver effected prior to the Initial Closing, Purchasers obligated to purchase at least a majority of the Notes to be issued at the Initial Closing. Notwithstanding the foregoing, Purchasers purchasing Additional Notes in a Subsequent Closing may become parties to this Agreement in accordance with Section 1.2(b) without any amendment of this Agreement pursuant to this paragraph or any consent or approval of any other Purchaser (other than any consent or approval explicitly required pursuant to Section 1.2(b)). Any amendment or waiver effected in accordance with this Section 6.8 shall be binding upon each Purchaser and each transferee of the Notes, each future holder of the Notes, and the Company.

6.9 Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

6.10 Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non- defaulting party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore

or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

6.11 Entire Agreement. This Agreement (including the Exhibits hereto), and the other Transaction Agreements, constitute the full and entire understanding and agreement between the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties are expressly canceled.

6.12 Corporate Securities Law. THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF THE SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO THE QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM THE QUALIFICATION BY SECTION 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON THE QUALIFICATION BEING OBTAINED UNLESS THE SALE IS SO EXEMPT.

6.13 Dispute Resolution. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the federal and state courts located in Los Angeles County, California for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the federal and state courts located in Los Angeles County, California, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

WAIVER OF JURY TRIAL: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL

6.14 No Commitment for Additional Financing. The Company acknowledges and agrees that no Purchaser has made any representation, undertaking, commitment or agreement to provide or assist the Company in obtaining any financing, investment or other assistance, other than the purchase of the Notes as set forth herein and subject to the conditions set forth herein. In addition, the Company acknowledges and agrees that (a) no statements, whether written or oral, made by any Purchaser or its representatives on or after the date of this Agreement shall create an obligation, commitment or agreement to provide or assist the Company in obtaining any financing or investment, (b) the Company shall not rely on any such statement by any Purchaser or its representatives, and (c) an obligation, commitment or agreement to provide or assist the Company in obtaining any financing or investment may only be created by a written agreement, signed by such Purchaser and the Company, setting forth the terms and conditions of such financing or investment and stating that the parties intend for such writing to be a binding obligation or agreement. Each Purchaser shall have the right, in its sole and absolute discretion, to refuse or decline to participate in any other financing of or investment in the Company and shall have no obligation to assist or cooperate with the Company in obtaining any financing, investment or other assistance.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed this Note Purchase Agreement as of the date first written above.

**COMPANY:**

**SUPER LEAGUE GAMING, INC.**

By: Ann Hand
Chief Executive Officer & President

Address:
2906 Colorado Ave.

Santa Monica, CA 90404

IN WITNESS WHEREOF, the Purchaser has executed this Note Purchase Agreement as of the date first written above.

**PURCHASER:**

**[Name of Entity if applicable]**

By:

Name:
Title:

SIGNATURE PAGE TO NOTE PURCHASE AGREEMENT SUPER LEAGUE GAMING, INC.

**EXHIBIT A SCHEDULE OF PURCHASERS**

| Name and Address of Purchaser | Original Principal Amount of Note | No. of Shares of Common Stock Underlying Common Stock Purchase Warrant |
|---|---|---|
| | **$** | Equal to one hundred percent (100.0%) of the investment amount in the Notes exercisable at the lesser of (a) $3.60 per share, or (b) a fifteen percent (15.0%) discount to the price per share ("***Exercise Price***") of the Company's initial public offering ("***IPO***"). For the avoidance of doubt, the actual number of shares of common stock shall be set upon the final determination of the IPO price per share. |

**EXHIBIT B**

**FORM OF 9% SECURED CONVERTIBLE PROMISSORY NOTE**

**EXHIBIT C**

**FORM OF CALLABLE COMMON STOCK PURCHASE WARRANT**

EXHIBIT C TO NOTE PURCHASE AGREEMENT SUPER LEAGUE GAMING, INC.

**EXHIBIT D**

**FORM OF SECURITY AGREEMENT**

**EXHIBIT E**

**FORM OF INTERCREDITOR AND COLLATERAL AGENT AGREEMENT**

EXHIBIT E TO NOTE PURCHASE AGREEMENT SUPER LEAGUE GAMING, INC.

**EXHIBIT F**

**FORM OF INVESTORS' RIGHTS AGREEMENT**

EXHIBIT F TO NOTE PURCHASE AGREEMENT SUPER LEAGUE GAMING, INC.

**EXHIBIT G**

**DISCLOSURE SCHEDULE**

This Disclosure Schedule is made and given pursuant to Section 2 of the Common Stock Purchase Agreement, dated as of April 24, 2018 (the "***Agreement***"), between Super League Gaming, Inc. (the "***Company***") and the Purchasers listed on Exhibit A thereto. All capitalized terms used but not defined herein shall have the meanings as defined in the Agreement, unless otherwise provided. The section numbers below correspond to the section numbers of the representations and warranties in the Agreement; *provided, however*, that any information disclosed herein under any section number shall be deemed to be disclosed and incorporated into any other section number under the Agreement where such disclosure would be appropriate and such appropriateness is reasonably apparent from the face of such disclosure. Nothing in this Disclosure Schedule is intended to broaden the scope of any representation or warranty contained in the Agreement or to create any covenant. Inclusion of any item in this Disclosure Schedule (1) does not represent a determination that such item is material or establish a standard of materiality, (2) does not represent a determination that such item did not arise in the ordinary course of business, (3) does not represent a determination that the transactions contemplated by the Agreement require the consent of third parties, and (4) shall not constitute, or be deemed to be, an admission to any third party concerning such item. This Disclosure Schedule includes brief descriptions or summaries of certain agreements and instruments, copies of which are available upon reasonable request. Such descriptions do not purport to be comprehensive and are qualified in their entirety by reference to the text of the documents described, true and complete copies of which have been provided to the Purchasers or their respective counsel.

**SECTION 2.1**

**Good Standing Certificate**

EXHIBIT G TO NOTE PURCHASE AGREEMENT SUPER LEAGUE GAMING, INC.

**Delaware**

The FirstState

*I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "SUPER LEAGUE GAMING, INC." IS DULY INCORPORTED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW AS OF THE SIXTEENTH DAY OF FEBRUARY, A.D. 2018.*

*AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.*

AND I HEREBY FURTHER CERTIFY THAT SAID "SUPER LEAGUES GAMING INC" WAS INCORPORATED ON THE FIRST DAY OF OCTOBER, A.D. 2014.

AND I HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DA.re.

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Authentication: 202168294

Date: 02-16-18

**SECTION 2.2(c)**

**Capitalization**

As of the close of business on April 24, 2018, and immediately prior to the commencement to this Offering, the following represents all issued and outstanding securities of the Company:

| **FULLY-DILUTED SUMMATION** | **Amount** | **Percentage** |
|---|---|---|
| COMMON STOCK | 13,810,487 | 68.38% |
| OPTIONS (1) | 3,743,820 | 18.54% |
| RESTRICTED STOCK UNITS | 25,000 | 0.12% |
| WARRANTS (2) | 2,617,489 | 12.96% |
| **TOTAL OUTSTANDING F-D (3)** | **20,196,796** | **100.00%** |

(1) Weighted average exercise price of $2.92 per share; $11,008,852 total exercise value based on 3,763,820 options outstanding.
(2) Weighted average exercise price of $2.98 per share; $7,813,162 total exercise value based on 2,617,489 warrants outstanding.
(3) Excludes the conversion of $3,000,000 of 9% Secured Convertible Promissory Notes into shares of common stock that were placed by the Company in February and March 2018. The foregoing is being converted into this financing round on identical terms.

EXHIBIT G TO NOTE PURCHASE AGREEMENT SUPER LEAGUE GAMING, INC.

**SECTION 2.8**

**Patents & Trademarks**

| Patents Pending | Matter Name/Description | Status | Application No. | Filing Date | Priority Claim | Inventors |
|---|---|---|---|---|---|---|
| 001WO (PCT – International) | Game System – Generating Game Projection Views | **PENDING:**<br>1. Entered National Phase in the U.S. with 001C1 & 001C2<br>2. Case Expires May 5, 2017 | PCT/US2015/029532 | 05/06/2015 | 001PR (Provisional) filed 11/5/14 | 1. John Miller<br>2. David Steigelfest |
| 001C1 (U.S. Non-Provisional) | Multi-User Game System with Trigger-Based Generation of Projection View | **PENDING**<br>**1.** Filed with Prioritized Examination Request<br>**2.** Awaiting Examination by Patent Office | 15/179,868 | 06/10/2016 | Continuation of 001WO | 1. John Miller<br>2. David Steigelfest |
| 001C2 (U.S. Non-Provisional) | Multi-User Game System with Character-Based Generation of Projection View | **PENDING**<br>**1.** Filed with Prioritized Examination Request<br>**2.** Awaiting Examination by Patent Office | 15/179,878 | 06/10/2016 | Continuation of 001WO | 1. John Miller<br>2. David Steigelfest |

Registered Trademarks:

1. SLG (Stylized)
    a. Registered with USPTO
        i. International Class 9 – Serial No. 86725324
        ii. International Class 28 – Serial No. 86725331
        iii. International Class 41 – Serial No. 86725326
2. Super League Gaming (Stylized)
    a. Registered with European Registration Community Mark No. 14945976
3. Super League Gaming (logo)
    a. Registered with European Registration Community Mark No. 14945976

4. Pending Trademarks – SLG City Teams

a. Los Angeles Shockwaves – stylized and with design; design only

i. International Classes 9, 25, 28, and 41

b. Dallas Dynamite - stylized and with design; design only

i. International Classes 9, 25, 28, and 41

c. Miami Menace - stylized and with design; design only

i. International Classes 9, 25, 28, and 41

d. Chicago Force - stylized and with design; design only

i. International Classes 9, 25, 28, and 41

e. Boston Revolt - stylized and with design; design only

i. International Classes 9, 25, 28, and 41

f. Denver Drakes - stylized and with design; design only

i. International Classes 9, 25, 28, and 41

g. Houston Blast - stylized and with design; design only

i. International Classes 9, 25, 28, and 41

h. Las Vegas Wildcards - stylized and with design; design only

i. International Classes 9, 25, 28, and 41

i. New York Fury - stylized and with design; design only

i. International Classes 9, 25, 28, and 41

j. Phoenix Blaze - stylized and with design; design only

i. International Classes 9, 25, 28, and 41

k. Seattle Siege - stylized and with design; design only

i. International Classes 9, 25, 28, and 41

l. San Francisco Ionics - stylized and with design; design only

i. International Classes 9, 25, 28, and 41

m. Virtual Storm - stylized and with design; design only

i. International Classes 9, 25, 28, and 41

n. Beijing Brawler - - stylized and with design; design only

i. International Classes 9, 25, 28, and 41

o. Shanghai Roaring Tigers - stylized and with design; design only

i. International Classes 9, 25, 28, and 41

EXHIBIT G TO NOTE PURCHASE AGREEMENT SUPER LEAGUE GAMING, INC.

**SECTION 2.12**

**Registration Rights**

1. The investors in the Company's Series A, B and C common stock rounds hold unlimited piggyback registration rights, and in the case of Series B and C round investors such parties hold demand rights subject to certain restrictions.

EXHIBIT G TO NOTE PURCHASE AGREEMENT SUPER LEAGUE GAMING, INC.

**SECTION 2.16(g)**

**Employee Benefit Plan**

None.

EXHIBIT G TO NOTE PURCHASE AGREEMENT SUPER LEAGUE GAMING, INC.

**Exhibit 10.17**

**SUPER LEAGUE GAMING, INC. SECURITY AGREEMENT**

THIS SECURITY AGREEMENT (this "***Agreement***"),is entered into as of by and between Super League Gaming, Inc., a Delaware corporation (the "***Borrower***"), Charles Tien, an individual (the "***Collateral Agent***"), and each of the secured parties whose name appears on the signature pages to this Agreement (individually, a "***Secured Party***" and, collectively, the "***Secured Parties***"). All capitalized terms not otherwise defined herein shall the meanings ascribed to them in those certain Note Purchase Agreements and the Notes (as defined below) by and between Borrower and each Secured Party (the "***Note Purchase Agreements***").

**RECITALS**

WHEREAS, the Secured Parties have loaned monies to Borrower as more particularly described in the Note Purchase Agreements and as evidenced by the 9% Secured Convertible Promissory Notes issued by Borrower to the Secured Parties (the "***Notes***");

WHEREAS, Borrower, Collateral Agent and the Secured Parties have entered into that certain Intercreditor and Collateral Agent Agreement of even date herewith (the "***Intercreditor Agreement***") whereby the security interests and liens of the Secured Parties are to be of equal priority position, notwithstanding the different dates of their Notes and perfection their respective security interests;

WHEREAS, the term "Secured Party" as used in this Agreement shall mean, collectively, all holders of Notes, including those persons who become holders of Notes subsequent to the date hereof; and

WHEREAS, this Agreement is being executed and delivered by Borrower to secure the Notes.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the parties hereto hereby agrees as follows:

1. Obligations Secured. This Agreement secures, in part, the prompt payment and performance of all obligations of Borrower under the Notes, and all renewals, extensions, modifications, amendments, and/or supplements thereto (collectively, the "***Secured Obligations***").

2. Grant of Security Interest.

(a) Collateral. Borrower hereby grants, pledges, and collaterally assigns to the Collateral Agent for the benefit of itself and each other Secured Party, and there is hereby created in favor of the Secured Parties, a security interest in and to all of Borrower's right, title, and interest in, to, and under all of the collateral set forth on Exhibit A hereto (collectively, "***Collateral***").

(b) Effective Date. This grant of security shall be effective as of the date hereof.

(c) Senior Interest. Except as set forth herein, the Notes and the Secured Obligations shall be senior to all other obligations of Borrower other than trade debt and other debt incurred in the ordinary course of business.

3. Filings to Perfect Security Interest. The Collateral Agent may (and is hereby authorized to) file with any filing office such financing statements, amendments, addenda, continuations, terminations, assignments and other records (whether or not executed by Borrower) as Collateral Agent may deem necessary in its sole discretion to perfect and to maintain perfected security interests in the Collateral, where (a) immediately upon the execution of this Agreement, a UCC-1 Financing Statement shall be filed with the California Secretary of State with respect to the Collateral; Such documents may designate the Collateral Agent as the secured party and Borrower as the debtor, identify the security interest in the Collateral, and contain any other items required by law or deemed necessary by Collateral Agent. Such financing statements shall contain a description of collateral consistent with the description set forth herein and shall not describe the collateral as "all assets" or "all personal property." Upon Collateral Agent's request, Borrower shall execute any such documents (whether or not required by law).

4. Transfers and Other Liens. Except as set forth herein or in the Notes or in the Intercreditor Agreement, Borrower shall not, without the prior written consent of the Collateral Agent, in its sole and absolute discretion:

(a) Sell, transfer, assign, or dispose of (by operation of law or otherwise), any of the Collateral outside of the ordinary course of business;

(b) Create or suffer to exist any lien, security interest, or other charge or encumbrance upon or with respect to any of the Collateral, except the security interests created hereby; or

(c) Permit any of the Collateral to be levied upon under any legal process.

5. Representations and Warranties. Borrower hereby represents and warrants to Collateral Agent and the Secured Parties as follows: (a) to Borrower's knowledge, Borrower is the owner of the Collateral (or, in the case of after-acquired Collateral, at the time Borrower acquires rights in the Collateral, will be the owner thereof) and that, except as expressly provided herein, no other person has (or, in the case of after-acquired Collateral, at the time Borrower acquires rights therein, will have) any right, title, claim or interest (by way of Lien or otherwise) in, against or to the Collateral; (b) to Borrower's knowledge, except as expressly provided herein, upon the filing of a UCC-1 financing statement with the California Secretary of State, the Collateral Agent will have for the benefit of the Secured Parties (or in the case of after-acquired Collateral, at the time Borrower acquires rights therein, will have) a perfected security interest in the Collateral to the extent that a security interest in the Collateral can be perfected by such filing; (c) all Accounts Receivable (as defined in Exhibit A) are genuine and enforceable against the party obligated to pay the same; (d) Borrower has full power and authority to enter into the transactions provided for in this Agreement, the Notes and the Intercreditor Agreement; (e) this Agreement, the Notes and the Intercreditor Agreement, when executed and delivered by Borrower, will constitute the legal, valid and binding obligations of Borrower enforceable in accordance with their

terms; (f) the execution and delivery by Borrower of this Agreement, the Intercreditor Agreement and the Notes and the performance and consummation of the transactions contemplated hereby and thereby do not and will not violate Borrower's Certificate of Incorporation or Bylaws or any material judgment, order, writ, decree, statute, rule or regulation applicable to Borrower (g) there does not exist any default or violation by Borrower of or under any of the terms, conditions or obligations of (i) any indenture, mortgage, deed of trust, franchise, permit, contract, agreement, or other instrument to which Borrower is a party or by which Borrower is bound, or (ii) any law, ordinance, regulation, ruling, order, injunction, decree, condition or other requirement applicable to or imposed upon Borrower by any law, the action of any court or any governmental authority or agency; and the execution, delivery and performance of this Agreement will not result in any such default or violation; (h) there is no action, suit, proceeding, hearing, investigation, charge, complaint, claim, or demand pending or, to the knowledge of Borrower, threatened which adversely affects Borrower's business or financial condition and there is no basis known to Borrower for any action, suit, proceeding, hearing, investigation, charge, complaint, claim, or demand which could result in the same; and (i) this Agreement, the Notes and the Intercreditor Agreement do not contain any untrue statement of material fact or omit to state a material fact necessary in order to make the statements contained in this Agreement, the Notes and the Intercreditor Agreement not misleading.

6. Events of Default. For purposes of this Agreement, the term "Event of Default" shall mean and refer to any of the following:

(a) Failure of Borrower to perform or observe any covenant set forth in this Agreement, or to perform or observe any other term, condition, covenant, warranty, agreement or other provision contained in this Agreement, where such failure continues for twenty (20) business days after receipt of written notice from Lender specifying such failure;

(b) Any representation or warranty made or furnished by Borrower in writing in connection with this Agreement, the Notes or the Intercreditor Agreement or any statement or representation made in any certificate, report or opinion delivered pursuant to this Agreement or in connection with this Agreement is false, incorrect or incomplete in any material respect at the time it is furnished; or

(c) Occurrence of any other Event of Default as defined in the Note.

7. Remedies. Upon the occurrence and during the continuance of an Event of Default (subject to the notice and cure provisions provided for herein, if any), the Collateral Agent for the benefit of itself and each Secured Party shall have the rights of a secured creditor under the California Uniform Commercial Code, all rights granted by the Notes, this Security Agreement and by law, including the right to require Borrower to assemble the Collateral and make it available to the Collateral Agent at a place to be designated by Borrower. The rights and remedies provided in this Agreement, the Notes and the Intercreditor Agreement are cumulative and may be exercised independently or concurrently and are not exclusive of any other right or remedy provided at law or in equity. No failure to exercise or delay by the Collateral Agent for the benefit of itself and the Secured Parties in exercising any right or remedy under this Agreement, the Notes or the Intercreditor Agreement shall impair or prohibit the exercise of any such rights or remedies in the

future or be deemed to constitute a waiver or limitation of any such right or remedy or acquiescence therein. Every right and remedy granted to the Collateral Agent and the Secured Parties under this Agreement, the Notes and the Intercreditor Agreement or by law or in equity may be exercised by the Collateral Agent at any time and from time to time, and as often as the Collateral Agent may deem it expedient.

8. Further Assurances. Borrower agrees that, from time to time, at its own expense, it will:

(a) Protect and defend the Collateral against all claims and demands of all persons at any time claiming the same or any interest therein and preserve and protect Secured Party's security interest in the Collateral.

(b) Promptly execute and deliver to Collateral Agent all instruments and documents, and take all further action necessary or desirable, as Collateral Agent may reasonably request to (i) continue, perfect, or protect any security interest granted or purported to be granted hereby, and (ii) enable Collateral Agent to exercise and enforce any of Secured Party's rights and remedies hereunder with respect to any Collateral.

(c) Permit Collateral Agent's representatives to inspect and make copies of all books and records relating to the Collateral, wherever such books and records are located, and to conduct an audit relating to the Collateral at any reasonable time or times.

9. Attorney-in-Fact. In case Borrower fails to do any act or execute any documents, for the perfection or continuation of any security interest granted to Secured Parties hereunder, Borrower hereby irrevocably appoints Collateral Agent as its true and lawful attorney-in-fact, with full power of substitution, to do such acts and execute any such documents on its behalf; provided, however, that Collateral Agent shall not exercise such power of attorney unless it shall have previously requested Borrower to take such action and Borrower shall have failed to do so within five (5) business days.

10. Notices.All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed telex, e-mail or facsimile if sent during normal business hours of the recipient, if not, then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent as follows:

| | |
|---|---|
| *If to the Collateral Agent:* | Charles Tien, CFO<br>Super League Gaming, Inc. 2906 Colorado Ave.<br>Santa Monica, CA 90404 |
| *If to Borrower:* | To Holder's address listed in Exhibit A to the Note Purchase Agreement |

*If to the Company:* Super League Gaming, Inc.
2906 Colorado Ave. Santa Monica, CA 90404
Attention: CEO & President

or to such other address or telecopy number as the party to whom notice is to be given may have furnished to the other party in writing in accordance herewith.

11. Amendments and Waivers. No modification, amendment or waiver of any provision of, or consent required by, this Agreement, nor any consent to any departure herefrom, shall be effective unless it is in writing and signed by each of the parties hereto. Such modification, amendment, waiver or consent shall be effective only in the specific instance and for the purpose for which given.

12. Exclusivity and Waiver of Rights. No failure to exercise and no delay in exercising on the part of any party, any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other right, power or privilege. The rights and remedies herein provided are cumulative and are not exclusive of any other rights or remedies provided by law.

13. Invalidity. Any term or provision of this Agreement shall be ineffective to the extent it is declared invalid or unenforceable, without rendering invalid or enforceable the remaining terms and provisions of this Agreement.

14. Headings. Headings used in this Agreement are inserted for convenience only and shall not affect the meaning of any term or provision of this Agreement.

15. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original instrument, but all of which collectively shall constitute one and the same agreement.

16. Assignment. This Agreement and the rights and obligations hereunder shall not be assignable or transferable by the any of the parties without the prior written consent of the other parties.

17. Survival. Unless otherwise expressly provided herein, all representations warranties, agreements and covenants contained in this Agreement shall survive the execution hereof and shall remain in full force and effect until the earliest to occur of (a) the payment in full of the Notes, and (b) the conversion of the principal and accrued and unpaid interest and all other amounts owing under the Notes into equity securities of Borrower.

18. Miscellaneous. This Agreement shall inure to the benefit of each of the parties hereto and all their respective successors and permitted assigns. Nothing in this Agreement is intended or shall be construed to give to any other person, firm or corporation any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained.

**19. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF DELAWARE (WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAWS PROVISIONS).**

**20. CONSENT TO JURISDICTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE NON- EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF CALIFORNIA. EACH OF THE PARTIES HERETO AGREES THAT ALL ACTIONS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY MUST BE LITIGATED EXCLUSIVELY IN ANY SUCH STATE OR FEDERAL COURT, AND ACCORDINGLY, EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH LITIGATION IN ANY SUCH COURT.**

**21. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. EACH OF THE PARTIES HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND EACH OF THE OTHER PARTIES HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 21**

22. Attorneys' Fees. In the event that any suit or action is instituted to enforce any provision in this Agreement, the prevailing party in such dispute shall be entitled to recover from the losing party all fees, costs and expenses of enforcing any right of such prevailing party under or with respect to this Agreement, including without limitation, such reasonable fees and expenses of attorneys and accountants, which shall include, without limitation, all fees, costs and expenses of appeals.

23. Entire Agreement. This Agreement contains the entire agreement among the parties with respect to the transactions contemplated by this Agreement and supersedes all prior agreements or understandings among the parties.

*[Signature page follows]*

IN WITNESS WHEREOF, this Security Agreement has been executed as of the date first set written above.

**SECURED PARTY**

By: _____

Name: _____

Title: _____

**COLLATERAL AGENT**

By: Charles Tien., an individual

**BORROWER**

**SUPER LEAGUE GAMING, INC.**

By: Ann Hand

Chief Executive Officer & President

**EXHIBIT A COLLATERAL**

All cash and cash equivalents, bank and Deposit accounts (including any control account, disbursement account and any other bank accounts), commercial tort claims, insurance claims, rights and policies, letter of credit rights, investment property, Accounts, Goods, Fixtures, Securities, Documents of Title, Inventory, General Intangibles, Equipment and Records now owned or acquired at any time hereafter by Debtor, wherever located or situated, and the products and proceeds (including condemnation proceeds) of the foregoing.

The capitalized terms used hereinabove shall have the meanings set forth below. All other terms used herein are used as defined in the UCC.

"Accounts" means any and all rights to payment for goods, including Inventory, sold or leased or to be sold or leased or for services rendered or to be rendered, whether or not evidenced by an instrument or chattel paper, and no matter how evidenced, including such rights in the form of accounts (as that term is defined in the UCC), accounts receivable, exchange Receivables, contract rights, Instruments, Documents, Chattel Paper, purchase orders, notes drafts, acceptances and all other forms of obligations and receivables, including all right, title and interest of the Debtor in the Inventory which gave rise to any of the foregoing, including the right of stoppage in transit and all returned, rejected, rerouted or repossessed Inventory.

"Chattel paper" means "chattel paper" as that term is defined in the UCC.

"Deposit Account" means a demand, time, savings, passbook or like account maintained with a bank, savings and loan association, credit union or like organization, other than an account evidenced by a certificate of deposit.

"Documents" means "documents" as that term is defined in the UCC, "Documents of Title" means "documents of title" as defined in the UCC.

"Equipment" means "equipment" as defined in the UCC, and also all motor vehicles, rolling stock, machinery, office equipment, plant equipment, tools, dies, molds, store fixtures, furniture, and other goods, property, and assets which are used and/or were purchased for use in the operation of furtherance of the Debtor's business, and any and all accessions, additions thereto, and substitutions therefore.

"Fixtures" means "fixtures" as that term is defined in the UCC.

"General Intangibles" means "general intangibles" as defined in the UCC and also all books and records; customer lists; goodwill; causes of action; judgments; literary rights; rights to performance; licenses, permits, certificates of convenience and necessity, and similar rights granted by any governmental authority; copyrights, trademarks, patents, patent applications, proprietary processes, blueprints, drawings, designs, diagrams, plans, reports, charts, catalogs, manuals, literature, technical data, proposals, cost estimates, source codes, object codes, computer

programs, computer program flow diagrams, and tangible property embodying or incorporating any of the foregoing, and all other reproductions on paper, or otherwise, of any and all the design, development, manufacture, sale, marketing, lease or use of any or all goods produced or sold or leased or credit extended, or service performed by the Debtor, whether intended for an individual customer or the general business of Debtor.

"Goods" means "goods" as that term is defined in the UCC. "Instruments" means "instruments" as that term is defined in the UCC.

"Inventory" means any and all raw materials, supplies, work in process, finished goods, goods returned by customers, and inventory (as that term is defined in the UCC), including goods in transit, wherever located, which are-held for sale (but excluding goods subject to leases and goods not manufactured by the Debtor or an affiliate and which were purchased for resale directly or indirectly by the Debtor from a non-affiliate pursuant to a then existing agreement or arrangement with a non-affiliate customer), including the right of stoppage in transit, or goods which are or might be used in connection with the manufacturing or packing of such goods, and all such goods, the sale or disposition of which has given rise to an Account, which are returned to and/or repossessed and/or stopped in transit by the Debtor or by the Secured Party, or at any time hereafter in the possession or under the control of the Debtor or the Secured Party or any agent or bailee of the Debtor or the Secured Party, and any documents of title representing any of the above.

"Records" means all books, records, customer lists, ledger cards, computer programs, computer tapes, disks, printouts and records and other property and general intangibles at any time evidencing or relating to any of the types (or items) of property covered by this financing statement, whether now in existence or hereafter created.

"Securities" means "securities" as that term is defined in the UCC.

"UCC" means the Uniform Commercial Code as in effect in the State of California.

**Exhibit 10.18**

**SUPER LEAGUE GAMING, INC. INTERCREDITOR AND COLLATERAL AGENT AGREEMENT**

THIS INTERCREDITOR AND COLLATERAL AGENT AGREEMENT (this"***Agreement***"), is entered into as of by and among each of the parties whose names appear on the signature pages to this Agreement (individually, a "***Secured Party***", and collectively, the "***Secured Parties***"), Charles Tien (the "***Collateral Agent***"), and Super League Gaming, Inc., a Delaware corporation ( the "***Borrower***").

**RECITALS**

WHEREAS, each of the Secured Parties has loaned monies to Borrower, as evidenced by 9% Secured Convertible Promissory Notes (collectively, the "***Notes***") more particularly described in the Note Purchase Agreement entered into by and between Borrower and each Secured Party; and

WHEREAS, it is the intention of each of the Secured Parties that his, her or its security interests and liens against the collateral referred to in Exhibit 1 of the Notes be of equal priority position with regard to the respective security interests, notwithstanding the different dates of investment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, each of the Secured Parties hereby agree as follows:

1. Definitions. All capitalized terms not otherwise defined herein shall the meanings ascribed to them in the Note Purchase Agreement.

2. Pari Passu Ranking. Notwithstanding the dates and times of perfection of the security interest issued in favor of each Secured Party pursuant to the Security Agreement, each Secured Party's security interest in and lien against the collateral referred to in Exhibit 1 of the Notes (the "Collateral") shall rank *pari passu*, and, accordingly, have the same and equal priority position.

3. Collateral Agent. Subject to the terms of this Agreement, the Secured Parties hereby agrees to the appointment of Charles Tien to serve as the collateral agent with respect to enforcement of the collective rights and remedies available to the Secured Parties in the event of a default by Borrower (the "Collateral Agent").

(a) Actions. The Secured Parties hereby authorize and appoints the Collateral Agent to act on behalf of each such Secured Party as collateral agent for and representative of such Secured Party under this Agreement and each of the Notes, to enforce the rights provided under this Agreement and each of the Notes and the obligations of the Company hereunder and thereunder and, to exercise such powers hereunder and thereunder as are specifically delegated to or required of the Collateral Agent by the terms hereof and thereof, together with such powers as may be reasonably incidental thereto. The Secured Parties agree (which agreement shall survive any termination of this Agreement) to indemnify the Collateral Agent, from and against any and

all liabilities, obligations, losses, damages, claims, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may at any time be imposed on, incurred by, or asserted against the Collateral Agent in any way relating to or arising out of this Agreement, the Notes and any other agreement relating thereto, including the reimbursement of the Collateral Agent for all reasonable out-of-pocket expenses (including attorneys' fees and expenses) incurred by the Collateral Agent hereunder or in connection herewith or in enforcing the obligations of the Company under this Agreement and the Notes, in all cases as to which the Collateral Agent is not reimbursed by the Company; *provided, that* none of the Secured Parties, expressly excluding the Collateral Agent, shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements determined by a court of competent jurisdiction in a final proceeding to have resulted solely from the Collateral Agent's gross negligence or willful misconduct. The Collateral Agent shall not be required to take or omit to take any action hereunder or under the Notes, or to prosecute or defend any suit in respect of this Agreement or any of the Notes, or any other agreement relating thereto, unless indemnified to its satisfaction by the Secured Parties against loss, costs, liability, and expense. The Collateral Agent may delegate its duties hereunder to affiliates, agents, attorneys-in-fact and receivers (which term includes receivers as managers) selected in good faith by the Collateral Agent.

(b) Exculpation

(i) The Collateral Agent shall have no duties or responsibilities except those expressly set forth in this Agreement, and the Collateral Agent shall not by reason of this Agreement or any of the Notes (or otherwise) be a trustee for any Secured Party or have any fiduciary obligation to any Secured Party or any of their affiliates. Neither the Collateral Agent nor any of its directors, partners, members, managers, officers, employees or agents (collectively, the "***Related Parties***") shall be liable to any Secured Party for any action taken or omitted to be taken by it under this Agreement and the Notes, or in any agreements delivered in connection therewith, or in connection herewith or therewith, except for its own willful misconduct or gross negligence, nor shall the Collateral Agent or any Related Parties be responsible for any recitals or representations or warranties herein or therein or in any other agreement delivered in connection therewith, or for the effectiveness, enforceability, validity or due execution of any of this Agreement, the Notes or in any other agreement delivered in connection therewith, nor for the creation, perfection or priority of any security interests purported to be created under any of the Notes or the validity, genuineness, enforceability, existence, value or sufficiency of any Collateral, nor shall the Collateral Agent or any Related Parties be obligated to make any inquiry respecting the performance by the Company of its obligations hereunder or thereunder or in any other agreement delivered in connection therewith. Any such inquiry by the Collateral Agent shall not obligate it to make any further inquiry or to take any action. The Collateral Agent shall be entitled to rely upon advice of counsel concerning legal matters and upon any notice, consent, certificate, statement, or writing which they believe to be genuine and to have been presented by a proper Person. The Collateral Agent shall not be responsible for the negligence or misconduct of any such agents or attorneys-in-fact selected by it with reasonable care.

(ii) The Collateral Agent shall be entitled to rely upon any certification, notice or other communication (including any thereof by email, telex, telecopy, telegram or cable) reasonably believed by it to be genuine and correct and to have been signed or sent by or on behalf of the proper person or persons, and upon advice and statements of legal counsel (including counsel to the Company), independent accountants and other experts selected by the Collateral Agent with reasonable care. As to any matters not expressly provided for by this Agreement, the Collateral Agent shall in all cases be fully protected in acting, or in refraining from acting, hereunder in accordance with instructions signed by all Secured Parties, in its capacity as agent of the Secured Parties, and any action taken or failure to act pursuant thereto, shall be binding on all of the Secured Parties.

(iii) The Collateral Agent shall not be required to take any action that is in its opinion contrary to law or to the terms of this Agreement and the Notes, or which would in its opinion subject it or any of its Related Parties to liability. The Collateral Agent shall, in all cases, be fully justified in failing or refusing to act hereunder and under the Notes unless it shall be fully indemnified to its satisfaction against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action.

(iv) The Collateral Agent may deem and treat the payee of any promissory note or other evidence of indebtedness relating to the Notes as the owner thereof for all purposes hereof unless and until a written notice of the assignment or transfer thereof, signed by such payee and in form reasonably satisfactory to the Collateral Agent, shall have been filed with the Collateral Agent. Any request, authority or consent of any Person who at the time of making such request or giving such authority or consent is the holder of any such note or other evidence of indebtedness shall be conclusive and binding on any subsequent holder, transferee or assignee of such note or other evidence of indebtedness and of any note or notes or other evidences of indebtedness issued in exchange therefor.

(c) Successor. The Collateral Agent may resign at any time upon at least 30 days' notice to the Secured Parties. If the Collateral Agent at any time shall resign, the Secured Parties, by majority consent, may appoint another mutually agreed Secured Party as a successor to Collateral Agent. If the Secured Parties do not make such appointment within ten (10) business days prior to the scheduled resignation date of the Collateral Agent, the retiring Collateral Agent shall appoint a new Collateral Agent from the Secured Parties or, if no Secured Party accepts such appointment, from among commercial banking institutions or trust institutions generally. In furtherance of the foregoing, upon the announcement that the Collateral Agent will resign in its capacity as the Collateral Agent, each of the Secured Parties agrees to use its best efforts to promptly appoint another Collateral Agent. Upon the acceptance of any appointment as the Collateral Agent hereunder, such successor Collateral Agent shall be entitled to receive from the retiring Collateral Agent such documents of transfer and assignment as such successor Collateral Agent may reasonably request, and shall thereupon succeed to and become vested with all rights, powers, privileges and duties of the retiring Collateral Agent, and the retiring Collateral Agent shall be discharged from its duties and obligations under this Agreement and the Notes. After the retiring Collateral Agent's resignation hereunder as the Collateral Agent, the provisions of this Section 3 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Collateral Agent under this Agreement and the Notes, and any other agreement relating thereto.

4. Application of Proceeds

(a) Any and all amounts actually received by the Collateral Agent in connection with the enforcement of the Notes, shall, promptly upon receipt by the Collateral Agent, be applied:

(i) *first*, to the payment in full of all amounts owing to the Collateral Agent in respect of any fees and expenses (including attorneys' fees and expenses and fees and expenses of its agents) incurred by or on behalf of the Collateral Agent as a result of administering this Agreement or the Collateral or exercising any rights (including foreclosure of the Collateral) in its capacity as Collateral Agent;

(ii) *second*, following payment of all obligations under clause (i), between and among each of the Secured Parties on a pro rata basis, computed using the then outstanding indebtedness, of both principal and accrued interest, of Borrower to each of the Secured Parties, as of the date of such distribution. Until the proceeds are so distributed, the Collateral Agent shall hold the proceeds in trust for the benefit of each of the Secured Parties; and

(iii) *third*, to the Company unless otherwise directed by a court of competent jurisdiction.

(b) The priorities of allocation set forth in Section 3(a) shall apply in all circumstances, including with respect to any distribution made in any case or proceeding under any bankruptcy law or insolvency law involving creditors' rights generally.

(c) If any Secured Party (an "***Excess Party***") shall obtain any payment or other recovery (whether voluntary, involuntary, by application of setoff, or otherwise) as a result of the realization, sale or other remedial disposition of, or foreclosure on, any Collateral in excess of the amount it is then entitled to receive under the terms of this Agreement, such Excess Party shall hold such amount in trust for the ratable benefit of the other Secured Parties in accordance with the terms of this Agreement and shall pay an amount equal to such excess to the Collateral Agent for distribution to the Secured Parties in accordance with the terms of this Agreement.

5. Further Assurances. Each party agrees to execute such other documents, instruments, agreements and consents, and take such other actions as may be reasonably requested by the other parties hereto to effectuate the purposes of this Agreement.

6. Notices. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed telex, e-mail or facsimile if sent during normal business hours of the recipient, if not, then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent as follows:

| | |
|---|---|
| *If to the Holder:* | To Secured Party's address listed in Exhibit A to the Note Purchase Agreement |
| *If to Collateral Agent:* | Charles Tien, CFO<br>Super League Gaming, Inc.<br>2906 Colorado Ave.<br>Santa Monica, CA 90404 |
| *If to Borrower:* | Super League Gaming, Inc.<br>2906 Colorado Ave.<br>Santa Monica, CA 90404<br>Attention: Ann Hand |

or to such other address or telecopy number as the party to whom notice is to be given may have furnished to the other party in writing in accordance herewith.

7. Amendments and Waivers. No modification, amendment or waiver of any provision of, or consent required by, this Agreement, nor any consent to any departure herefrom, shall be effective unless it is in writing and signed by each of the parties hereto. Such modification, amendment, waiver or consent shall be effective only in the specific instance and for the purpose for which given.

8. Exclusivity and Waiver of Rights. No failure to exercise and no delay in exercising on the part of any party, any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other right, power or privilege. The rights and remedies herein provided are cumulative and are not exclusive of any other rights or remedies provided by law.

9. Invalidity. Any term or provision of this Agreement shall be ineffective to the extent it is declared invalid or unenforceable, without rendering invalid or enforceable the remaining terms and provisions of this Agreement.

10. Headings. Headings used in this Agreement are inserted for convenience only and shall not affect the meaning of any term or provision of this Agreement.

11. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original instrument, but all of which collectively shall constitute one and the same agreement.

12. Assignment. This Agreement and the rights and obligations hereunder shall not be assignable or transferable by the any of the parties without the prior written consent of the other parties.

13. Survival. Unless otherwise expressly provided herein, all representations warranties, agreements and covenants contained in this Agreement shall survive the execution hereof and shall remain in full force and effect until the earliest to occur of (i) the payment in full

of the Notes, and (ii) the conversion of the principal and accrued and unpaid interest and all other amounts owing under the Notes into equity securities of the Company.

14. Miscellaneous. This Agreement shall inure to the benefit of each of the parties hereto and all their respective successors and permitted assigns. Nothing in this Agreement is intended or shall be construed to give to any other person, firm or corporation any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained.

15. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF DELAWARE (WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAWS PROVISIONS).

16. CONSENT TO JURISDICTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF CALIFORNIA. EACH OF THE PARTIES HERETO AGREES THAT ALL ACTIONS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY MUST BE LITIGATED EXCLUSIVELY IN ANY SUCH STATE OR FEDERAL COURT, AND ACCORDINGLY, EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH LITIGATION IN ANY SUCH COURT.

17. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. EACH OF THE PARTIES HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND EACH OF THE OTHER PARTIES HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 17.

18. Attorneys' Fees. In the event that any suit or action is instituted to enforce any provision in this Agreement, the prevailing party in such dispute shall be entitled to recover from the losing party all fees, costs and expenses of enforcing any right of such prevailing party under or with respect to this Agreement, including without limitation, such reasonable fees and expenses of attorneys and accountants, which shall include, without limitation, all fees, costs and expenses of appeals.

19. Entire Agreement. This Agreement contains the entire agreement among the parties with respect to the transactions contemplated by this Agreement and supersedes all prior agreements or understandings among the parties.

**IN WITNESS WHEREOF**, this Agreement has been executed as of the date first set written above.

**SECURED PARTY**

_____

By: _____

Name: _____

Title: _____

**IN WITNESS WHEREOF**, this Agreement has been executed as of the date first set written above.

**COLLATERAL AGENT**

By: Charles Tien, an individual

**IN WITNESS WHEREOF**, this Agreement has been executed as of the date first set written above.

**SUPER LEAGUE GAMING, INC.**

By: Ann Hand
Chief Executive Officer & President

**Exhibit 10.19**

**SUPER LEAGUE GAMING, INC. INVESTORS' RIGHTS AGREEMENT**

**THIS INVESTORS' RIGHTS AGREEMENT** (this "***Agreement***"), is made as of _____, by and among Super League Gaming, Inc., a Delaware corporation (the "***Company***"), and the purchasers of the Company's 9% Secured Convertible Promissory Notes (the "***Investors***").

**RECITALS**

**WHEREAS**, the Company and the Investors are parties to that certain Note Purchase Agreement of even date herewith (the "***Purchase Agreement***").

**WHEREAS**, in order to induce the Company to enter into the Purchase Agreement and to induce the Investors to invest funds in the Company pursuant to the Purchase Agreement, the Investors and the Company hereby agree that this Agreement shall govern the rights of the Investors to cause the Company to register shares of common stock issuable to the Investors upon conversion of the 9% Secured Convertible Promissory Notes (collectively, the "***Notes***") and upon exercise of the Callable Common Stock Purchase Warrants (collectively, the "***Warrants***")(the ***Notes*** and the ***Warrants*** are collectively referred to herein as the "***Securities***"), to receive certain information from the Company, and to participate in future equity offerings by the Company, and shall govern certain other matters as set forth in this Agreement.

**AGREEMENT**

**NOW, THEREFORE**, the parties to this Agreement agree as follows:

1. Definitions. For purposes of this Agreement:

1.1 "***Affiliate***" means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by or is under common control with such Person, including, without limitation, any general partner, managing member, officer or director of such Person, or such Person's principal, or any venture capital fund, financial investment firm or collective investment vehicle now or hereafter existing that is controlled by one or more general partners or managing members (or any affiliates thereof, which shall include any series or cell of a general partner or managing member that is structured as a series limited liability company) of, or shares the same management company with, such Person. For purposes of this definition, the terms "controlling," "controlled by," or "under common control with" shall mean the possession, directly or indirectly, of (a) the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise, or (b) the power to elect or appoint at least 50% of the directors, managers, general partners, or Persons exercising similar authority with respect to such Person. For the avoidance of doubt, an "Affiliate" of a specified Person shall include (x) such Person's partners, members, stockholders, other equity owners, officers, directors, managers, former or retired partners, former or retired members, former or retired stockholders, former or retired other equity owners, and the estate of any of the foregoing and (y) a parent or subsidiary of a Person that is an entity.

1.2 "***Board***" means the board of directors of the Company.

1.3 "***Common Stock***" means shares of the Company's common stock, par value $0.001 per share. For the avoidance of doubt, the term Common Stock as used herein shall include shares of Common Stock issuable upon conversion of the Notes and exercise of the Warrants.

1.4 "***Damages***" means any loss, damage, claim or liability (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act, or other federal or state law, insofar as such loss, damage, claim or liability (or any action in respect thereof) arises out of or is based upon: (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement of the Company, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, and any free-writing prospectus and any issuer information (as defined in Rule 433 of the Securities Act) filed or required to be filed pursuant to Rule 433(d) under the Securities Act or any other document incident to such registration prepared by or on behalf of the Company or used or referred to by the Company; (ii) an omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or (iii) any violation or alleged violation by the indemnifying party (or any of its agents or Affiliates) of the Securities Act, the Exchange Act, any state securities law, or any rule or regulation promulgated under the Securities Act, the Exchange Act, or any state securities law.

1.5 "***Deemed Liquidation Event***" has the meaning given to such term in the Restated Certificate in effect on the date hereof.

1.6 "***Derivative Securities***" means any securities or rights convertible into, or exercisable or exchangeable for (in each case, directly or indirectly), Common Stock, including the Notes, Warrants, stock options and other warrants to purchase shares of the Company's Common Stock.

1.7 "***Exchange Act***" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

1.8 "***Excluded Registration***" means (i) a registration relating to the sale of securities to employees of the Company or a subsidiary pursuant to a stock option, stock purchase, or similar plan; (ii) a registration relating to an SEC Rule 145 transaction; or (iii) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities.

1.9 "***Exempted Securities***" means: (i) securities issued pursuant to a Recapitalization; (ii) securities issued to employees, consultants, officers or directors for bona fide compensatory purposes pursuant to the Company's existing equity incentive plan(s), such issuances to be approved by a majority of the Board; (iii) securities issued upon exercise or conversion of options, warrants or other exercisable or convertible securities outstanding as of April 24, 2018; (iv) securities issued in connection with the closing of the IPO; (v) securities issued in connection with a bona fide acquisition of another entity by the Company by merger, purchase of substantially all of the assets or other reorganization or a joint venture agreement approved by a majority of the Board; (vi) securities issued to banks, equipment lessors or other financial institutions pursuant to a debt financing or commercial leasing transaction approved by a majority of the Board; (vii) securities issued in connection with sponsored research, collaboration, technology license, development, marketing or other similar agreements or strategic partnerships approved by a majority of the Board; and (viii) securities issued to suppliers or third party service providers in connection with the provision of goods or services pursuant to transactions approved by a majority of the Board.

1.10 **"*Form 1-A*"** means such form under the Securities Act as in effect on the date hereof or any successor offering statement under the Securities Act subsequently adopted by the SEC.

1.11 "***Form S-1***" means such form under the Securities Act as in effect on the date hereof or any successor registration form under the Securities Act subsequently adopted by the SEC.

1.12 "***Form S-3***" means such form under the Securities Act as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the SEC that permits incorporation of substantial information by reference to other documents filed by the Company with the SEC.

1.13 "***GAAP***" means generally accepted accounting principles in the United States, consistently applied.

1.14 "***Holder***" means any holder of Registrable Securities who is a party to this Agreement.

1.15 "***Immediate Family Member***" means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including, adoptive relationships, of a natural person referred to herein.

1.16 "***Initiating Holders***" means, collectively, Holders who properly initiate a registration request under this Agreement.

1.17 "***IPO***" means the Company's initial public offering of its Common Stock.

1.18 "***New Securities***" means, collectively, equity securities of the Company, whether or not currently authorized, as well as any rights, options, or warrants to purchase such equity securities, or securities of any type whatsoever that are, or may become, convertible or exchangeable into or exercisable (in each case, directly or indirectly) for such equity securities.

1.19 "***Person***" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

1.20 "***Recapitalization***" means any stock dividend, stock split, combination of shares, reorganization, recapitalization, reclassification or other similar event.

1.21 "***Registrable Securities***" means (i) any Common Stock issued pursuant to conversion of the Notes and upon exercise of the Warrants (the Notes and Warrants being issued pursuant to the Purchase Agreement), (ii) any Common Stock, or any Common Stock issued or issuable (directly or indirectly) upon conversion and/or exercise of any other securities of the Company, currently owned, or acquired after the date hereof, by any Investor or its Affiliate(s); and
(iii) any Common Stock issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the shares referenced in clauses (i)-(ii) above held by an Investor; excluding in all cases, however, any Registrable Securities sold by a Person in a transaction in which the applicable rights under this Agreement are not assigned pursuant to Section 6.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Section 2.12 of this Agreement.

1.22 "***Registrable Securities then outstanding***" means the number of shares determined by adding the number of shares of outstanding Common Stock that are Registrable Securities and the number of shares of Common Stock issuable (directly or indirectly) pursuant to then exercisable and/or convertible securities that are Registrable Securities.

1.23 "***Restated Certificate***" means the Company's Amended and Restated Certificate of Incorporation, as amended from time to time.

1.24 "***Restricted Securities***" means the securities of the Company required to be notated with the legend set forth in Section 2.11(b) hereof.

1.25 "***SEC***" means the Securities and Exchange Commission.

1.26 "***SEC Rule 144***" means Rule 144 promulgated by the SEC under the Securities Act. Act.

1.27 "***SEC Rule 145***" means Rule 145 promulgated by the SEC under the Securities

1.28 "***Securities Act***" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.29 "***Selling Expenses***" means all underwriting discounts, selling commissions, and stock transfer taxes applicable to the sale of Registrable Securities, and fees and disbursements of counsel for any Holder, all of which shall be borne and paid for by the Holder(s) as described in this Agreement, except for the fees and disbursements of the Selling Holder Counsel (as defined herein) borne and paid by the Company as provided in Section 2.6.

2. Registration Rights. The Company covenants and agrees as follows:

2.1 Company Registration.

(a) Form 1-A. Approximately thirty percent (30.0%) (which percentage may be increased based on the aggregate offering amount stated in the Form 1-A) of (i) the shares of common stock issuable upon conversion of the Notes ("***Conversion Shares***"), or (ii) the shares of common stock issuable upon exercise of the Warrants ("***Warrant Shares***"), shall be made available for resale in the Company's Form 1-A filed with the SEC. The Company shall have the exclusive right to determine whether the Conversion Shares or Warrant Shares are included in the Form 1-A. The shares of common stock made available for resale on Form 1-A shall be subject to the following lock-up restriction: (x) 20% shall become freely tradeable on each of the 60-day, 90-day, 120-day, 150-day and 180-day anniversaries of the IPO closing.

(b) Form S-1. Within 45 days of closing of the IPO, the Company shall file a registration statement on Form S-1 with the SEC to register the Conversion Shares and Warrant Shares not otherwise included in the Form 1-A. The shares of common stock registered in the Form S-1 shall be subject to the following lock-up restriction: (x) 20% shall become freely tradeable on each of the 60- day, 90-day, 120-day, 150-day and 180-day anniversaries of the date the S-1 is declared effective by the SEC.

2.2 Demand Registration.

(a) Form S-1 Demand. If at any time after the earlier of (i) three (3) years after the date of this Agreement or (ii) one (1) year after the effective date of the registration statement for the IPO, the Company receives a request from Holders of at least fifty percent (50%) of the Registrable Securities then outstanding that the Company file a Form S-1 registration statement with respect to Registrable Securities then outstanding with an anticipated aggregate offering price, net of Selling Expenses, in excess of $10,000,000, then the Company shall (x) within ten (10) days after the date such request is given, give notice thereof (the "***Demand Notice***") to all Holders other than the Initiating Holders; and (y) as soon as practicable, and in any event within one hundred twenty (120) days after the date such request is given by the Initiating Holders, file such Form S-1 registration statement under the Securities Act covering all Registrable Securities that the Initiating Holders requested to be registered and any additional Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Subsections 2.2(c) and 2.3.

(b) Form S-3 Demand. If at any time when it is eligible to use a Form S-3 registration statement, the Company receives a request from Holders of at least fifty percent (50%) of the Registrable Securities then outstanding that the Company file a Form S-3 registration statement with respect to outstanding Registrable Securities of such Holders having an anticipated aggregate offering price, net of Selling Expenses, of at least $5,000,000, then the Company shall (i) within ten (10) days after the date such request is given, give a Demand Notice to all Holders other than the Initiating Holders; and (ii) as soon as practicable, and in any event within sixty (60) days after the date such request is given by the Initiating Holders, file such Form S-3 registration statement under the Securities Act covering all Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty
(20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Subsections 2.2(c) and 2.3.

(c) Notwithstanding the foregoing obligations, if the Company furnishes to Holders requesting a registration pursuant to this Subsection 2.1 a certificate signed by the Company's chief executive officer stating that in the good faith judgment of the Board it would be materially detrimental to the Company and its stockholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would (i) materially interfere with a significant acquisition, corporate reorganization, or other similar transaction involving the Company; (ii) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (iii) render the Company unable to comply with requirements under the Securities Act or Exchange Act, then the Company shall have the right to defer taking action with respect to such filing for a period of not more than one hundred eighty (180) days after the request of the Initiating Holders is given; provided, however, that the Company may not invoke this right more than once in any twelve (12) month period; and provided further that the Company shall not register any securities for its own account or that of any other stockholder during such ninety (90) day period other than an Excluded Registration.

(d) The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Subsection 2.2(a): (i) during the period that is ninety (90) days before the Company's good faith estimate of the date of filing of, and ending on a date that is one hundred eighty (180) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; (ii) after the Company has effected two registrations pursuant to Subsection 2.2(a); or (iii) if the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Subsection 2.2(b). The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Subsection 2.2(b): (i) during the period that is forty-five (45) days before the Company's good faith estimate of the date of filing of, and ending on a date that is ninety (90) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; or (ii) if the Company has effected two registrations pursuant to Subsection 2.2(b) within the twelve (12) month period immediately preceding the date of such request. A registration shall not be counted as "effected" for purposes of this Subsection 2.2(d) until such time as the applicable registration statement has been declared effective by the SEC, unless the Initiating Holders withdraw their request for such registration, elect not to pay the registration expenses therefor, and forfeit their right to one (1) demand registration statement pursuant to Subsection 2.6, in which case such withdrawn registration statement shall be counted as "effected" for purposes of this Subsection 2.2(d).

2.3 Underwriting Requirements.

(a) If, pursuant to Section 2.2, the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Section 2.2, and the Company shall include such information in the Demand Notice. The underwriter(s) will be selected by the Company and shall be reasonably acceptable to a majority in interest of the Initiating Holders. In such event, the right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the Company as provided in Section 2.4(e)) enter into an underwriting agreement in customary form with the underwriter(s) selected for such underwriting. Notwithstanding any other provision of this Section 2.4, if the managing underwriter(s) advise(s) the Initiating Holders in writing that marketing or other factors, in its reasonable discretion, require a limitation on the number of shares to be underwritten, or the elimination thereof, then the Initiating Holders shall so advise all Holders of Registrable Securities that otherwise would be underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwriting shall be allocated among such Holders of Registrable Securities, including the Initiating Holders, in proportion (as nearly as practicable) to the number of Registrable Securities owned by each Holder or in such other proportion as shall unanimously be agreed to by all such selling Holders; *provided, however*, that the number of Registrable Securities held by the Holders, to be included in such underwriting, shall only be reduced in proportion to the percentage reduction of other registrable securities of the Company included in such underwriting and not part of the Registrable Securities defined herein. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest one hundred (100) shares.

(b) In connection with any offering involving an underwriting of shares of the Company's capital stock pursuant to Section 2.3, the Company shall not be required to include any of the Holders' Registrable Securities in such underwriting unless the Holders accept the terms of the underwriting as agreed upon between the Company and its underwriters, and then only in such quantity, if any, as the underwriters in their sole discretion determine will not jeopardize the success of the offering by the Company. If the total number of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the number of securities to be sold (other than by the Company), that the underwriters in their reasonable discretion determine is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters and the Company in their sole discretion determine will not jeopardize the success of the offering. If the underwriters determine that less than all of the Registrable Securities requested to be registered can be included in such offering, then the Registrable Securities that are included in such offering shall be allocated among the selling Holders in proportion (as nearly as practicable) to the number of Registrable Securities owned by each selling Holder or in such other proportions as shall mutually be agreed to by all such selling Holders. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest one hundred (100) shares. Notwithstanding the foregoing, in no event shall (i) the number of Registrable Securities included in the offering be reduced unless all other securities (expressly excluding securities to be sold by the Company) are proportionally reduced, or (ii) the number of Registrable Securities included in the offering be reduced below fifty percent (50%) of the total number of securities included in such offering, unless such offering is the IPO, in which case the selling Holders may be excluded in full if the underwriters make the determination described above and no other stockholder's securities are included in such offering. For purposes of the provision in this Section 2.3(b) concerning apportionment, for any selling Holder that is a partnership, limited liability company, or corporation, the partners, members, retired partners, retired members, stockholders, and Affiliates of such Holder, or the estates and Immediate Family Members of any such partners, retired partners, members, and retired members and any trusts for the benefit of any of the foregoing Persons, shall be deemed to be a single "selling Holder," and any pro rata reduction with respect to such "selling Holder" shall be based upon the aggregate number of Registrable Securities owned by all Persons included in such "selling Holder," as defined in this sentence.

(c) For purposes of Section 2.2, a registration shall not be counted as "effected" if, as a result of an exercise of the underwriter's cutback provisions in Section 2.3(a), fewer than twenty-five percent (25%) of the total number of Registrable Securities that Holders have requested to be included in such registration statement are actually included.

2.4 Obligations of the Company. Whenever required under this Section 2 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its commercially reasonable efforts to cause such registration statement to become effective and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to one hundred twenty (120) days or, if earlier, until the distribution contemplated in the registration statement has been completed; *provided, however*, that such one hundred twenty (120) day period shall be extended for a period of time equal to the period the Holder refrains, at the request of an underwriter of Common Stock (or other securities) of the Company, from selling any securities included in such registration;

(b) prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the Securities Act in order to enable the disposition of all securities covered by such registration statement;

(c) furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus, as required by the Securities Act, and such other documents as the Holders may reasonably request in order to facilitate their disposition of their Registrable Securities;

(d) use its commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or blue-sky laws of such jurisdictions as shall be reasonably requested by the selling Holders; *provided* that the Company shall not be required to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the underwriter(s) of such offering;

(f) use its commercially reasonable efforts to cause all such Registrable Securities covered by such registration statement to be listed on a national securities exchange or trading system and each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(g) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) promptly make available for inspection by the selling Holders, any underwriter(s) participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the selling Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant, or agent, in each case, as necessary or advisable to verify the accuracy of the information in such registration statement and to conduct appropriate due diligence in connection therewith;

(i) notify each selling Holder, promptly after the Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any prospectus forming a part of such registration statement has been filed; and

(j) after such registration statement becomes effective, notify each selling Holder of any request by the SEC that the Company amend or supplement such registration statement or prospectus.

In addition, the Company shall ensure that, at all times after any registration statement covering a public offering of securities of the Company under the Securities Act shall have become effective, its insider trading policy shall provide that the Company's directors may implement a trading program under Rule 10b5-1 of the Exchange Act.

2.5 Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 2 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as is reasonably required to effect the registration of such Holder's Registrable Securities.

2.6 Expenses of Registration. All expenses (other than Selling Expenses) incurred in connection with registrations, filings, or qualifications pursuant to Section 2, including all registration, filing, and qualification fees; printers' and accounting fees; fees and disbursements of counsel for the Company; and the reasonable fees and disbursements, not to exceed $25,000, of one counsel for the selling Holders ("***Selling Holder Counsel***"), shall be borne and paid by the Company; *provided, however*, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Section 2.1 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all selling Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one registration pursuant to Sections 2.2(a) or 2.2(b), as the case may be, in which case the Holders shall not be required to pay any of such expenses and shall not forfeit their right to one registration pursuant to Sections 2.2(a) or 2.2(b). All Selling Expenses relating to Registrable Securities registered pursuant to this Section 2 shall be borne and paid by the Holders pro rata on the basis of the number of Registrable Securities registered on their behalf.

2.7 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

2.8 Indemnification. If any Registrable Securities are included in a registration statement under this Section 2:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each selling Holder, and the partners, members, officers, directors, and stockholders of each such Holder; legal counsel and accountants for each such Holder; any underwriter (as defined in the Securities Act) for each such Holder; and each Person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any Damages, and the Company will pay to each such Holder, underwriter, controlling Person, or other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; *provided, however*, that the indemnity agreement contained in this Section 2.8(a) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld, nor shall the Company be liable for any Damages to the extent that they arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of any such Holder, underwriter, controlling Person, or other aforementioned Person expressly for use in connection with such registration.

(b) To the extent permitted by law, each selling Holder, severally and not jointly, will indemnify and hold harmless the Company, and each of its directors, each of its officers who has signed the registration statement, each Person (if any), who controls the Company within the meaning of the Securities Act, legal counsel and accountants for the Company, any underwriter (as defined in the Securities Act), any other Holder selling securities in such registration statement, and any controlling Person of any such underwriter or other Holder, against any Damages, in each case only to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of such selling Holder expressly for use in connection with such registration; and each such selling Holder will pay to the Company and each other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; *provided, however*, that the indemnity agreement contained in this Section 2.8(b) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; and *provided further* that in no event shall the aggregate amounts payable by any Holder by way of indemnity or contribution under Sections 2.8(b) and 2.8(d) exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of fraud or willful misconduct by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 2.8 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 2.8, give the indemnifying party notice of the commencement thereof. The indemnifying party shall have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given, and to assume the defense thereof with counsel mutually satisfactory to the parties; *provided, however*, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such action. The failure to give notice to the indemnifying party within a reasonable time of the commencement of any such action shall relieve such indemnifying party of any liability to the indemnified party under this Section 2.8, to the extent that such failure materially prejudices the indemnifying party's ability to defend such action. The failure to give notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 2.8.

(d) To provide for just and equitable contribution to joint liability under the Securities Act in any case in which either: (i) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Section 2.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Section 2.8 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any party hereto for which indemnification is provided under this Section 2.8, then, and in each such case, such parties will contribute to the aggregate losses, claims, damages, liabilities, or expenses to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and the indemnified party in connection with the statements, omissions, or other actions that resulted in such loss, claim, damage, liability, or expense, as well as to reflect any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or allegedly untrue statement of a material fact, or the omission or alleged omission of a material fact, relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission; *provided, however*, that, in any such case (x) no Holder will be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by such Holder pursuant to such registration statement, and

(y) no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation; and *provided further* that in no event shall a Holder's liability pursuant to this Section 2.8(d), when combined with the amounts paid or payable by such Holder pursuant to Section 2.8(b), exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of willful misconduct or fraud by such Holder.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) Unless otherwise superseded by an underwriting agreement entered into in connection with the underwritten public offering, the obligations of the Company and Holders under this Section 2.8 shall survive the completion of any offering of Registrable Securities in a registration under this Section 2, and otherwise shall survive the termination of this Agreement.

2.9 Reports Under Exchange Act. With a view to making available to the Holders the benefits of SEC Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company shall:

(a) make and keep available adequate current public information, as those terms are understood and defined in SEC Rule 144, at all times after the effective date of the registration statement filed by the Company for the IPO;

(b) use commercially reasonable efforts to file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act (at any time after the Company has become subject to such reporting requirements); and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request to the extent accurate, a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after ninety (90) days after the effective date of the registration statement filed by the Company for the IPO), the Securities Act, and the Exchange Act (at any time after the Company has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after the Company so qualifies); and (ii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration (at any time after the Company has become subject to the reporting requirements under the Exchange Act) or pursuant to Form S-3 (at any time after the Company so qualifies to use such form).

2.10 "Market Stand-off" Agreement. Each Holder hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the registration by the Company of shares of its Common Stock or any other equity securities under the Securities Act on a registration statement on Form S-1 or Form S-3, and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days in the case of the IPO, or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (1) the publication or other distribution of research reports, and (2) analyst recommendations and opinions, including, but not limited to, the restrictions contained in FINRA Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto), (i) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock held immediately before the effective date of the registration statement for such offering or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or other securities, in cash, or otherwise. The foregoing provisions of this Section 2.100 shall apply only to the IPO, shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, or the transfer of any shares to any trust for the direct or indirect benefit of the Holder or the immediate family of the Holder, provided that the trustee of the trust agrees to be bound in writing by the restrictions set forth herein, and provided further that any such transfer shall not involve a disposition for value. The underwriters in connection with such registration are intended third-party beneficiaries of this Section 2.10 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. Each Holder further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with such registration that are consistent with this Section 2.10 or that are necessary to give further effect thereto, and the Company shall cause all future stockholders of the Company to execute a document containing a market stand-off agreement comparable to this Section 2.10. Any discretionary waiver or termination of the restrictions of any or all of such agreements by the Company or the underwriters shall apply pro rata to all Holders subject to such agreements, based on the number of shares subject to such agreements.

2.11 Restrictions on Transfer.

(a) The Registrable Securities shall not be sold, pledged, or otherwise transferred other than in conformity with the Securities Act, and the Company shall not recognize and shall issue stop-transfer instructions to its transfer agent (when a transfer agent has been engaged by the Company) with respect to any such sale, pledge, or transfer, except upon the conditions specified in this Agreement, which conditions are intended to ensure compliance with the provisions of the Securities Act. A transferring Holder will cause any proposed purchaser, pledgee, or transferee of the Registrable Securities held by such Holder to agree to take and hold such securities subject to the provisions and upon the conditions specified in this Agreement.

(b) Each certificate, instrument, or book entry representing (i) the Registrable Securities, and (ii) any other securities issued in respect of the securities referenced in clause (i), upon any Recapitalization, merger, consolidation, or similar event, shall (unless otherwise permitted by the provisions of Section 2.11(c)) be notated with a legend substantially in the following form:

> THE SECURITIES REPRESENTED HEREBY HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD, PLEDGED, OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR A VALID EXEMPTION FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT.
>
> THE SECURITIES REPRESENTED HEREBY MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

The Holders consent to the Company making a notation in its records and giving instructions to any transfer agent of the Restricted Securities in order to implement the restrictions on transfer set forth in this Section 2.11.

(c) The holder of such Restricted Securities, by acceptance of ownership thereof, agrees to comply in all respects with the provisions of this Section 2. Before any proposed sale, pledge, or transfer of any Restricted Securities, unless there is in effect a registration statement under the Securities Act covering the proposed transaction, the Holder thereof shall give notice to the Company of such Holder's intention to effect such sale, pledge, or transfer. Each such notice shall describe the manner and circumstances of the proposed sale, pledge, or transfer in sufficient detail and, if reasonably requested by the Company, shall be accompanied at such Holder's expense by either (i) a written opinion of legal counsel who shall, and whose legal opinion shall, be reasonably satisfactory to the Company, addressed to the Company, to the effect that the proposed transaction may be effected without registration under the Securities Act; (ii) a "no action" letter from the SEC to the effect that the proposed sale, pledge, or transfer of such Restricted Securities without registration will not result in a recommendation by the staff of the SEC that action be taken with respect thereto; or (iii) any other evidence reasonably satisfactory to counsel to the Company to the effect that the proposed sale, pledge, or transfer of the Restricted Securities may be effected without registration under the Securities Act, whereupon the Holder of such Restricted Securities shall be entitled to sell, pledge, or transfer such Restricted Securities in accordance with the terms of the notice given by the Holder to the Company. The Company will not require such a legal opinion or "no action" letter or detail with respect to such transfer other than the number of shares and the name of the transferee (x) in any transaction in compliance with SEC Rule 144; or (y) in any transaction in which such Holder distributes Restricted Securities to an Affiliate of such Holder for no consideration; *provided* that each transferee agrees in writing to be subject to the terms of this Section 2.11. Each certificate, instrument, or book entry representing the Restricted Securities transferred as above provided shall be notated with, except if such transfer is made pursuant to SEC Rule 144, the appropriate restrictive legend set forth in Section 2.11(b), except that such certificate instrument, or book entry shall not be notated with such restrictive legend if, in the opinion of counsel for such Holder and the Company, such legend is not required in order to establish compliance with any provisions of the Securities Act.

2.12 Termination of Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to Section 2 shall terminate upon the earliest to occur of:

(a) such time as Rule 144 or another similar exemption under the Securities Act is available for the sale of all of such Holder's shares without limitation during a three-month period without registration; and

(b) the fifth anniversary of the IPO.

3. Information Rights.

3.1 Delivery of Financial Statements. The Company shall deliver to each Investor:

(a) as soon as practicable, but in any event within one hundred twenty (120) days after the end of each fiscal year of the Company (i) a balance sheet as of the end of such year, (ii) statements of income and of cash flows for such year, and (iii) a statement of stockholders' equity as of the end of such year, all prepared in accordance with GAAP and audited and certified by independent public accountants of nationally recognized standing selected by the Company;

(b) as soon as practicable, but in any event within sixty (60) days after the end of each of the first three (3) quarters of each fiscal year of the Company, unaudited statements of income and cash flows for such fiscal quarter, and an unaudited balance sheet, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments; and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(c) as soon as practicable, but in any event before the end of each fiscal year, a budget and business plan for the next fiscal year (collectively, the "***Budget***"), prepared on a monthly basis, including balance sheets, income statements, and statements of cash flow for such months and, promptly after prepared, any other budgets or revised budgets prepared by the Company; and

(d) such other information relating to the financial condition, business, prospects, or corporate affairs of the Company as any Investor may from time to time reasonably request; *provided*, *however*, that the Company shall not be obligated under this Section 3.1 to provide information that the Company reasonably determines in good faith (i) to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in a form reasonably acceptable to the Company) or (ii) would, if disclosed, adversely affect the attorney-client privilege between the Company and its counsel.

If, for any period, the Company has any subsidiary whose accounts are consolidated with those of the Company, then in respect of such period the financial statements delivered pursuant to the foregoing sections shall be the consolidated and consolidating financial statements of the Company and all such consolidated subsidiaries.

Notwithstanding anything else in this Section 3.1 to the contrary, the Company may cease providing the information set forth in this Section 3.1 during the period starting with the date one hundred twenty (120) days before the Company's good-faith estimate of the date of filing of a registration statement if it reasonably concludes it must do so to comply with the SEC rules applicable to such registration statement and related offering; *provided* that the Company's covenants under this Section 3.1 shall be reinstated at such time as the Company is no longer actively employing its commercially reasonable efforts to cause such registration statement to become effective.

3.2 Inspection. The Company shall permit each Investor, at such Investor's expense, to visit and inspect the Company's properties; examine its books of account and records; and discuss the Company's affairs, finances, and accounts with its officers, during normal business hours of the Company as may be reasonably requested by the Investor upon at least five (5) days' notice; *provided, however*, that the Company shall not be obligated pursuant to this Section 3.2 to provide access to any information that it reasonably and in good faith determines (a) to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form reasonably acceptable to the Company) (b) would, if disclosed, adversely affect the attorney- client privilege between the Company and its counsel.

3.3 Termination of Information Rights and Observer Right. The covenants set forth in Sections 3.1, and 3.2 shall terminate and be of no further force or effect immediately before the consummation of an IPO.

3.4 Confidentiality. Each Investor agrees that such Investor will keep confidential and will not disclose, divulge, or use for any purpose (other than to monitor its investment in the Company) any confidential information obtained from the Company pursuant to the terms of this Agreement (including notice of the Company's intention to file a registration statement), unless such confidential information (a) is known or becomes known to the public in general (other than as a result of a breach of this Section 3.44 by such Investor), (b) is or has been independently developed or conceived by the Investor without use of the Company's confidential information as evidenced by written documentation, or (c) is or has been made known or disclosed to the Investor by a third party without a breach of any obligation of confidentiality such third party may have to the Company; *provided, however*, that an Investor may disclose confidential information (i) to its attorneys, accountants, consultants, and other professionals to the extent necessary to obtain their services in connection with monitoring its investment in the Company; (ii) to any prospective purchaser of any Registrable Securities from such Investor, if such prospective purchaser agrees to be bound by the provisions of this Section 3.44; (iii) to any Affiliate, partner, member, stockholder, or wholly owned subsidiary of such Investor in the ordinary course of business, *provided* that such Investor informs such Person that such information is confidential and directs such Person to maintain the confidentiality of such information; or (iv) as may otherwise be required by law, *provided* that the Investor promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure.

4. Rights Related to Future Stock Issuances.

4.1 Pro Rata Purchase Rights. Subject to the terms and conditions of this Section

4.1 and applicable securities laws, if, after the date of this Agreement, the Company proposes to offer or sell any New Securities, the Company shall first offer such New Securities to each Investor. Each Investor shall be entitled to apportion the pro rata purchase right hereby granted to it among itself and its Affiliates in such proportions as it deems appropriate.

(a) The Company shall give notice (the "***Offer Notice***") to each Investor, stating (i) its bona fide intention to offer such New Securities, (ii) the number of such New Securities to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such New Securities.

(b) By notification to the Company within twenty (20) days after the Offer Notice is given, each Investor may, in its sole discretion, elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, up to that portion of such New Securities which equals the proportion that the number of shares of Common Stock then held by such Investor (including all shares of Common Stock then issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of any and all Derivative Securities then held by such Investor) bears to the total number of shares of Common Stock of the Company then outstanding (assuming full conversion and/or exercise, as applicable, of all Derivative Securities). The closing of any sale pursuant to this Section 4.1(b) shall occur at the same closing covering the initial sale of New Securities pursuant to Section 4.1(c).

(c) If all New Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Section 4.1(b), the Company may, during the ninety (90) day period following the expiration of the period provided in Section 4.1(b), offer and sell the remaining unsubscribed portion of such New Securities to any Person(s) at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice. If the Company does not enter into an agreement for the sale of the New Securities within such period, or if such agreement is not consummated within thirty (30) days of the execution thereof, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Investors in accordance with this Section 4.1.

(d) The pro rata purchase rights in this Section 4.1 shall not be applicable to Exempted Securities.

4.2 Termination. The covenants set forth in Section 4.1, shall terminate and be of no further force or effect immediately before the consummation of the IPO.

5. Additional Covenants.

5.1 Employee Agreements. The Company will cause each person now or hereafter employed by it or by any subsidiary (or engaged by the Company or any subsidiary as a consultant/independent contractor) with access to confidential information and/or trade secrets to enter into a nondisclosure and proprietary rights assignment agreement. In addition, the Company shall not amend, modify, terminate, waive, or otherwise alter, in whole or in part, any of the above- referenced agreements or any restricted stock agreement between the Company and any employee, without the majority consent of the Board.

5.2 Employee Stock. Unless otherwise approved by a majority of the Board, all future employees and consultants of the Company who purchase, receive options to purchase, or receive awards of shares of the Company's capital stock after the date hereof shall be required to execute restricted stock or option agreements, as applicable, providing for vesting of shares over a four (4) year period, with vesting in equal monthly installments over the forty-eight (48) months.

5.3 Qualified Small Business Stock. The Company shall use commercially reasonable efforts to cause the shares of Common Stock issued upon conversion of the Notes and exercise of the Warrants pursuant to the Purchase Agreement to constitute "qualified small business stock" as defined in Section 1202(c) of the Internal Revenue Code (the "***Code***"); *provided, however*, that such requirement shall not be applicable if the Board determines, in its good-faith business judgment, that such qualification is inconsistent with the best interests of the Company. The Company shall submit to its stockholders (including the Investors) and to the Internal Revenue Service any reports that may be required under Section 1202(d)(1)(C) of the Code and the regulations promulgated thereunder. In addition, within twenty (20) business days after any Investor's written request therefor, the Company shall, at its option, either (i) deliver to such Investor a written statement indicating whether (and what portion of) such Investor's interest in the Company constitutes "qualified small business stock" as defined in Section 1202(c) of the Code or (ii) deliver to such Investor such factual information in the Company's possession as is reasonably necessary to enable such Investor to determine whether (and what portion of) such Investor's interest in the Company constitutes "qualified small business stock" as defined in Section 1202(c) of the Code.

5.4 Board Matters. The Company shall reimburse its directors for all reasonable out-of-pocket travel expenses incurred (consistent with the Company's travel policy) in connection with attending meetings of the Board or any committees thereof and in connection with attending any other events (*e.g.* meetings and trade shows) required by or at the request of the Company.

5.5 Successor Indemnification. If the Company or any of its successors or assignees consolidates with or merges into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger, then to the extent necessary, proper provision shall be made so that the successors and assignees of the Company assume the obligations of the Company with respect to indemnification of members of the Board as in effect immediately before such transaction, whether such obligations are contained in the Company's Bylaws, the Restated Certificate, or elsewhere, as the case may be

5.6 Termination of Covenants. The covenants set forth in this Section 5, except for Section 5.5, shall terminate and be of no further force or effect immediately before the consummation of a Qualified Public Offering.

6. Miscellaneous.

6.1 Successors and Assigns. The rights under this Agreement may be assigned (but only with all related obligations) by a Holder to a transferee of Registrable Securities that (i) is an Affiliate of a Holder, (ii) is a Holder's Immediate Family Member or trust for the benefit of an individual Holder or one or more of such Holder's Immediate Family Members, or (iii) after such transfer, holds at least 100,000 shares of Registrable Securities (subject to appropriate adjustment for Recapitalizations); *provided, however*, that (x) the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee and the Registrable Securities with respect to which such rights are being transferred; and (y) such transferee agrees in a written instrument delivered to the Company to be bound by and subject to the terms and conditions of this Agreement, including the provisions of Section 2.10. For the purposes of determining the number of shares of Registrable Securities held by a transferee, the holdings of a transferee (1) that is an Affiliate or stockholder of a Holder; (2) who is a Holder's Immediate Family Member; or (3) that is a trust for the benefit of an individual Holder or such Holder's Immediate Family Member shall be aggregated together and with those of the transferring Holder; provided further that all transferees who would not qualify individually for assignment of rights shall have a single attorney- in-fact for the purpose of exercising any rights, receiving notices, or taking any action under this Agreement. The terms and conditions of this Agreement inure to the benefit of and are binding upon the respective successors and permitted assignees of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

6.2 Governing Law. This Agreement shall be governed by and construed under the internal laws of the State of Delaware, irrespective of conflict of law principles.

6.3 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.4 Titles and Subtitles. The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

6.5 Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or (i) personal delivery to the party to be notified; (ii) when sent, if sent by electronic mail or facsimile during the recipient's normal business hours, and if not sent during normal business hours, then on the recipient's next business day; (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one (1) business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their addresses as set forth on Schedule 1 hereto, or to the principal office of the Company and to the attention of the Chief Executive Officer, in the case of the Company, or to such email address, facsimile number, or address as subsequently modified by written notice given in accordance with this Section 6.5. If notice is given to the Company, a copy shall also be sent to Ann Hand, President & CEO, Super League Gaming, Inc., 2906 Colorado Ave., Santa Monica, CA 90404, ann.hand@superleague.com,.

6.6 Amendments and Waivers. Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance, and either retroactively or prospectively) only with the written consent of the Company and the holders of at least a majority of the Registrable Securities then outstanding; Notwithstanding the foregoing, this Agreement may not be amended or terminated and the observance of any term hereof may not be waived with respect to any Investor without the written consent of such Investor, unless such amendment, termination, or waiver applies to all Investors in the same fashion. The Company shall give prompt notice of any amendment or termination hereof or waiver hereunder to any party hereto that did not consent in writing to such amendment, termination, or waiver. Any amendment, termination, or waiver effected in accordance with this Section 6.6 shall be binding on all parties hereto, regardless of whether any such party has consented thereto. No waivers of or exceptions to any term, condition, or provision of this Agreement, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such term, condition, or provision.

6.7 Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

6.8 Aggregation of Stock. All shares of Registrable Securities held or acquired by Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and such Affiliated persons may apportion such rights as among themselves in any manner they deem appropriate.

6.9 Entire Agreement. This Agreement constitutes the full and entire understanding and agreement among the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled.

6.10 Dispute Resolution. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the federal and state courts located in Los Angeles County, California for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the federal and state courts located in Los Angeles County, California, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

WAIVER OF JURY TRIAL: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

6.11 Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power, or remedy of such non-breaching or non- defaulting party, nor shall it be construed to be a waiver of or acquiescence to any such breach or default, or to any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. All remedies, whether under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative

6.12 Acknowledgment. The Company acknowledges that certain of the Investors are in the business of venture capital investing and therefore review the business plans and related proprietary information of many enterprises, including enterprises which may have products or services which compete directly or indirectly with those of the Company. Nothing in this Agreement shall preclude or in any way restrict the Investors from investing or participating in any particular enterprise whether or not such enterprise has products or services that compete with those of the Company.

*[Signature Pages Follow]*

IN WITNESS WHEREOF, the parties have executed this Investors' Rights Agreement as of the date first written above.

**COMPANY:**

**SUPER LEAGUE GAMING, INC.**

By: Ann Hand
Chief Executive Officer & President

IN WITNESS WHEREOF, the parties have executed this Investors' Rights Agreement as of the date first written above.

**INVESTOR:**

By:

Name:

Title:

**Exhibit 10.22**

**ASSET PURCHASE AGREEMENT**

This **ASSET PURCHASE AGREEMENT** (the "Agreement") is made and entered into as of June 22, 2018 ("Execution Date"), by and between Super League Gaming, Inc., a Delaware corporation, on the one and (the "Purchaser" or "SLG"), and Minehut, a sole proprietorship, on the other hand ("Minehut" or "Seller"). The Purchaser and the Seller may be referred to collectively herein as the "Parties" and individually as a "Party."

**RECITALS**

**WHEREAS,** Seller desires to sell the tangible and intangible assets, and the services, listed in Exhibit A hereto, to Purchaser upon the conditions set forth in this Agreement; and

**WHEREAS,** Purchaser desires to purchase the assets, listed in Exhibit A hereto, of Seller upon the terms and subject to the conditions set forth in this Agreement.

**NOW, THEREFORE,** in consideration of the premises and the respective representations and warranties hereinafter set forth, and the respective covenants and agreements contained herein, and intending to be legally bound hereby, the Parties agree as follows:

**ARTICLE I.**
**PURCHASE AND SALE; TRANSFER OF SERVICES AND RELATIONSHIPS; TECHNOLOGY MILESTONES; CONSULTING SERVICES.**

1.1 Agreement to Purchase and Sell Assets. Upon the terms and subject to the conditions set forth in this Agreement, at the Closing, Seller will sell, transfer, convey, assign and deliver to the Purchaser, and the Purchaser will purchase from the Seller, all legal right, title and interest of the Seller in and to all of the assets specifically detailed in Exhibit A hereto (collectively, the “Assets”).

1.2 No Assumption of Liabilities. Purchaser shall not assume, and shall not be responsible for, any of the liabilities of Seller.

1.3 Total Purchase Price. The total purchase price to be paid by Purchaser for the Assets shall be One Hundred Thousand Dollars ($100,000.00) (the "Purchase Consideration"), payable to Luke Chatton as follows:

(a) $25,000.00 upon execution hereof.

(b) $25,000.00 upon transfer of all services and relationships to SLG as outlined in Section 1.4 hereinbelow:

i. To occur within first 7-14 days following execution of theAgreement

ii period from June 30, 2018 to July 7, 2018 is carved out from this agreement for the purpose of the transfer of all services and relationships to SLG. SLG understands that no transfer activity will occur in this time frame and that the 7-14 days described in the preceding paragraph will apply to dates before and after the carved out period as necessary.

(c) $30,000.00 upon reaching tech milestones outlined in Section 1.5 hereinbelow:

i. This amount may be reduced by the Purchaser based on true cost of maintenance assessment

(d) $20,000.00 in consulting and support fees payable to Luke Chatton as described in Section 1.6 hereinbelow and payable as follows:

(i) July 15 , 2018 - $3,000.00

(ii) August 15, 2018 - $3,000.00

(iii) September 15, 2018 - $3,000.00 (iv) October 15, 2018 - $3,000.00

(v) November 15, 2018 - $3,000.00 (vi) December 15, 2018 - $2,500.00

(vii) January 15, 2019 - $2,500.00

1.4 Transfer of Services and Relationships. Seller shall effectuate the transfer of the following services and relationships to SLG, and upon doing so the payment referred to in Section 1.3(b) hereinabove shall be made:

(a) Volunteer Staff - It is understood that as a result of the acquisition the volunteer staff may choose not to continue as volunteers. Luke Chatton will use best efforts to transition the volunteer staff to SLG oversight /management;

(b) Vendors / Subscription Services;

(c) Introductions to the user-base of Minehut via various means, including social and within systems and forums, using communications developed by SLG; and

(d) Any other relationships not currently identified, but subsequently deemed necessary by SLG during the transfer process.

1.5 Technology Milestones. The following technology milestones shall be satisfied prior to the payment referred to in Section 1.3(c) hereinabove:

(a) Technology knowledge transfer of web, infrastructure, and data repositories and systems to SLG's internal technology team, including Connor James, Kenny Goodin, and Catalin Ionescu;

(b) Documentation delivered related to all Minehut services, code repositories and infrastructure:

(i) This documentation includes a detailed 'operating runbook' of administrative , business and technology activities; and

(ii) Training and escalation protocols for customer service.

(c) User migration, including the importing of accounts into SLG systems.

(d) Full transition shall be deemed achieved when SLG staff takes over maintenance of all Minehut related systems on a continuous basis for a period of twenty (20) calendar days. SLG and Luke Chatton will work in good faith to produce a joint time assessment as to how many hours of maintenance are (on average) required on a per day basis. This time assessment will impact the final payment installment as follows:

(i) < l hour on average per day = $30,000.00, or full payment per Section1.5 hereinabove;

(ii) >I but less than 2 hours on average per day = $20 ,000.00 payment;

(iii) >2 but less than 3 hours on average per day= $10,00.00 payment; and

(iv) >3 hours on average per day= no additional payment.

(e) Maintenance activities included in the time assessment consist of the following:

(i) Technical

(A) 24/7 Operational support

(B) Maintenance checklist including adding/ updating plugins

(C) Maintaining existing marketing /sales/growth activities

(D) Administration and Communications

(ii) Maintaining the staff/players community

(A) Necessary customer service activities

1.6 Consulting Services. In order to receive the consulting fees per the schedule set forth in Section l.3(d) hereinabove, Luke Chatton shall be onsite at the SLG offices in Santa Monica until the technology milestones identified in Section 1.5 hereinabove are achieved. Upon the successful achievement of the technology milestones, Luke Chatton shall not be required to be onsite and agrees to respond to escalations within four (4) hours of being made by SLG to Chatton via email, or other means of communication, until the conclusion of the consulting period on January 31, 2019.

l. 7 Closing. The closing of the purchase and sale of the Assets (the "Closing") shall occur on June 22, 2018 at the offices of Purchaser, located at 2906 Colorado Ave., Santa Monica, CA 90404.

## ARTICLE II.
## REPRESENTATIONS AND WARRANTIES OF SELLER.

2.1 Sole Proprietorship Status. Seller is a sole proprietorship owned and operated by Luke Chatton. Seller has full authority to execute and deliver this Agreement and perform the transactions contemplated hereby.

2.2 Actions. All actions and proceedings necessary to be taken by or on the part of Seller in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement have been duly and validly taken, and this Agreement has been duly and validly authorized, executed and delivered by Seller and constitutes the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with and subject to its terms.

2.3 No Defaults. Neither the execution, delivery or performance by Seller of this Agreement nor the consummation by Seller of the transactions contemplated hereby is an event that, of itself or with the giving of notice or the passage of time or both, will:

(a) Violate or conflict with or result in any breach of or any default under, result in any termination or modification of, or cause any acceleration of any obligation under, any contract, mortgage, indenture, agreement, lease or other instrument to which Seller is a party to orby which it is bound, or by which it may be affected, or result in the creation of any lien or encumbrance upon any of Seller's assets; or

(b) Violate any judgment, decree, order, statute, rule or regulation applicable toSeller.

2.4 Breach. Seller is not in violation or breach of any of the terms, conditions or provisions of any contracts, lease, instrument, court order, judgment, arbitration award, or decree materially affecting the business of Seller, to which Seller is a party or by which it is otherwise bound, where the effect thereof would have a material adverse effect on Seller.

2.5 Approvals and Consents; Assignment of Contracts. To Seller's knowledge, no permit, license, consent, approval or authorization of, or filing with, any governmental regulatory authority or agency is required in connection with the execution, delivery and performance of this Agreement, or the consummation of the transactions contemplated hereby, except where its absence would not have a material adverse effect on the Assets.

2.6 Title to and Condition of Assets.

(a) Seller has good, valid and marketable title to all of the Assets, free and clear of all liens, encumbrances and security interests of every kind or character.

2.7 No Broker or Finder. Seller has not employed or used the services of any broker or finder in connection with this transaction and Seller shall hold Purchaser completely free and harmless from the claims of any person claiming to have so acted on behalf of Seller.

## ARTICLE III.
## REPRESENTATIONS AND WARRANTIES OF PURCHASER

3.1 Corporate Status. Purchaser is a corporation which is duly organized, validly existing, and in good standing under the laws of the State of Delaware. Purchaser is duly qualified to do business in each jurisdiction in which the character of and location of its assets or operations makes qualification to do business necessary. Purchaser has full corporate power to carry on its business as it is now being conducted and as proposed to be conducted and to own and operate its assets. Purchaser has full corporate power and authority to execute and deliver this Agreement and perform the transactions contemplated hereby.

3.2 Corporate Actions. All corporate or other actions and proceedings necessary to be taken by or on the part of Purchaser in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement, including the obtaining of approval by the directors of Purchaser, have been duly and validly taken, and this Agreement has been duly and validly authorized, executed and delivered by Purchaser and constitutes the legal, valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with and subject to its terms.

3.3 No Defaults. Neither the execution, delivery or performance by Purchaser of this Agreement nor the consummation by Purchaser of the transactions contemplated hereby is an event that, of itself or with the giving of notice or the passage of time or both, will:

(a) Violate or conflict with the provisions of the articles of incorporation or bylaws of Purchaser;

(b) Violate or conflict with or result in any breach of or any default under, result in any termination or modification of, or cause any acceleration of any obligation under, any contract, mortgage, indenture, agreement, lease or other instrument to which Purchaser is a party to or by which it is bound, or by which it may be affected, or result in the creation of any lien or encumbrance upon any of Purchaser's assets, except for agreements, indentures and instruments related to the financing of the transactions contemplated by this Agreement; or

(c) Violate any judgment, decree, order, statute, rule or regulation applicable to Purchaser.

3.4 Breach. Purchaser is not in violation or breach of any of the terms, conditions or provisions of its articles of organization, as amended, its operating agreement, as amended, or any indenture, mortgage or deed of trust or other contracts, lease, instrument, court order, judgment, arbitration award, or decree materially affecting the business of Purchaser, to which Purchaser is a party or by which it is otherwise bound, where the effect thereof would have a material adverse effect on Purchaser.

3.5 Approvals and Consents. All approvals and consents of entities not a party to this Agreement, legally and contractually required, have been obtained by Purchaser in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement.

3.6 Litigation. There are no lawsuits, judgments, arbitrations, administrative charges or other legal proceedings, claims or governmental investigations pending against, or to Purchaser's knowledge, threatened against the Purchaser relating to or affecting the execution, delivery or performance of this Agreement or the ability of Purchaser to perform its obligations under this Agreement.

3.7 No Broker or Finder. Purchaser has not employed or used the services of any broker or finder in connection with this transaction and shall hold Seller completely free and harmless from the claims of any person claiming to have so acted on behalf of Purchaser.

## ARTICLE IV.
## COVENANTS OF SELLER.

4.1 Representations and Warranties. Seller shall give detailed written notice to Purchaser promptly upon learning of any fact which (i) would render untrue in any material respect any of Seller's representations or warranties contained in this Agreement, or (ii) would cause Seller to fail to comply with its obligations hereunder in any material respect between the Execution Date and the Closing.

4.2 Consummation of Agreement. Seller shall use its best efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and cause the transactions contemplated by this Agreement to be fully consummated.

4.3 Restrictions. Prior to the Closing, and without the prior written consent of Purchaser, Seller shall not encumber or grant any security interest in any of the Assets.

## ARTICLE V.
## COVENANTS OF PURCHASER.

5.1 Representations and Warranties. Purchaser shall give detailed written notice to Seller promptly upon learning of any fact which (i) would render untrue in any material respect any of Purchaser' s representations or warranties contained in this Agreement, or (ii) would cause Purchaser to fail to comply with is obligations hereunder in any material respect between the Execution Date and the Closing.

5.2 Consummation of Agreement. Purchaser shall fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and cause the transactions contemplated by this Agreement to be fully consummated.

## ARTICLE VI.
## ITEMS TO BE DELIVERED AT THE CLOSING.

6.1 Deliveries by Seller. At the Closing, Seller shall deliver to Purchaser the following:

(a) All of the Assets specified in Exhibit A hereto; and

(b) Such deeds, bills of sale, certificates of title, endorsements, assignments and other good and sufficient instruments of sale, conveyance and transfer and assignment in form and substance reasonably satisfactory to Purchaser sufficient to sell, convey, transfer and assign to Purchaser all right, title and interest of Seller in and to the Assets.

6.2 Deliveries by Purchaser. At the Closing, Purchaser shall deliver to Seller the following:

(a) Certified copies of resolutions, duly adopted and executed by the board of directors of Purchaser, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Purchaser of this Agreement and the consummation of the transactions contemplated hereby.

(b) A check, or wire transfer to Luke Chatton, in the amount of $25,000.00.

## ARTICLE VII.
## POST-CLOSING MATTERS.

7.1 Post-Closing Obligations. Purchaser shall make the remaining, and applicable, payments specified in Sections l .3(b)-(d) upon the completion by Seller, including Luke Chatton, of the requirements specified in Sections 1.4, 1.5 and 1.6.

**ARTICLE VIII.**
**INDEMNIFICATION.**

8.1 Indemnification by Seller. Seller shall indemnify, defend and hold Purchaser harmless from and against any and all liabilities or obligations arising with respect to the Assets up to the Closing. Further, Seller shall indemnify, defend and hold harmless Purchaser from and against any and all claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including reasonable attorney's fees and costs (collectively, "Losses") that Purchaser may incur or suffer, which arise, result from, or relate to: (i) any inaccuracy of Seller's representations and warranties contained in this Agreement or in any agreement, instrument or document entered into pursuant hereto or in connection with the Closing, or (ii) any breach of or failure by Seller to perform any of its covenants or agreements contained in this Agreement or in any agreement, instrument or document pursuant hereto or in connection with the Closing. Seller shall not have any liability under this Section 8.1 unless Purchaser gives written notice to Seller asserting a claim for Losses, including reasonably detailed facts and circumstances pertaining thereto, before the expiration of one (1) year from the Closing.

8.2 Indemnification by Purchaser. Purchaser shall indemnify, defend and hold Seller harmless from and against any and all liabilities or obligations arising with respect to the Assets, excepting claims asserted after the Closing that relate to actions taken by Seller prior to the Closing. Further, Purchaser shall indemnify, defend and hold harmless Seller from and against any and all claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including reasonable attorney's fees and costs (collectively, "Losses") that Seller may incur or suffer, which arise, result from, or relate to: (i) any inaccuracy of Purchaser's representations and warranties contained in this Agreement or in any agreement, instrument or document pursuant hereto or in connection with the Closing, or (ii) any breach of or failure by Purchaser to perform any of its covenants or agreements contained in this Agreement or in any agreement, instrument or document pursuant hereto or in connection with the Closing. Purchaser shall not have any liability under this Section 8.2 unless Seller gives written notice to Purchaser asserting a claim for Losses, including reasonably detailed facts and circumstances pertaining thereto, before the expiration of one (1) year from the Closing.

**ARTICLE IX.**
**MISCELLANEOUS.**

9.1 Termination of Agreement. This Agreement may be terminated at any time on or prior to the Closing: (a) by the mutual written consent of Seller and Purchaser; (b) by Purchaser at any time prior to Closing if Purchaser, prior to such date, determines in its sole discretion that the results of its due diligence investigation of Seller is in any way unsatisfactory. A termination pursuant to this Section 9.1 shall not relieve any Party of any liability it otherwise has for a breach of this Agreement. As a condition to any termination by Purchaser hereunder, all information and materials relating to the Assets and to which Purchaser obtained access during the negotiations leading to, or following, execution of this Agreement, and any other writings containing excerpts of such materials or information, and any or all copes thereof, shall be delivered to Seller.

9.2 Expenses. Each Party hereto shall bear all of its expenses incurred in connection with the transactions contemplated by this Agreement, including without limitation, accounting and legal fees incurred in connection herewith.

9.3 Further Assurances. From time to time prior to, on and after the Closing, each Party hereto will execute all such instruments and take all such actions as any other Party, being advised by counsel, shall reasonably request, without payment of further consideration, in connection with carrying out and effectuating the intent and purpose hereof and all transactions and things contemplated by this Agreement , including without limitation the execution and delivery of any and all confirmatory and other instruments in addition to those to be delivered on the Closing, and any and all actions which may reasonably be necessary or desirable to complete the transactions contemplated hereby. The Parties shall cooperate fully with each other and with their respective counsel and accountants in connection with any steps required to be taken as part of their respective obligations under this Agreement.

9.4 Construction. All signatories hereto agree that each of them and their respective counsel, and other advisors, has reviewed and had an opportunity to revise this Agreement and the exhibits hereto and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits hereto.

## ARTICLE X.
## DISPUTE RESOLUTION.

10.1 Direct Discussion. In the event of any dispute, claim, question, or disagreement arising out of or relating to this Agreement (a "Dispute"), the Parties involved in such Dispute shall use their best efforts to settle such Dispute. To this effect, management of the Parties involved shall consult and negotiate with each other in good faith to attempt to reach a just and equitable solution satisfactory to both parties.

10.2 Governing Law. This Agreement and all questions relating to its validity, interpretation, performance and enforcement shall be governed by and construed in accordance with the laws of the State of California.

10.3 Submission to Jurisdiction. The Parties irrevocably and unconditionally:

(a) submit to the non-exclusive jurisdiction of the courts of the State of California, County of Los Angeles, and all courts of appeal from them; and

(b) waive any objection they may now or in the future have to the bringing of proceedings in those courts and any claim that any proceedings have been brought in an inconvenient forum.

## ARTICLE XI.
## GENERAL PROVISIONS.

11.1 Successors and Assigns. Except as otherwise expressly provided herein, this Agreement shall be binding upon and inure to the benefit of the Parties hereto, and their respective representative, successors and assigns. No Party hereto may assign any of its rights or delegate any of its duties hereunder without the prior written consent of the other Party, and any such attempted assignment or delegation without such consent shall be void. Seller agrees not to unreasonably withhold its consent to any assignment by Purchaser of its rights hereunder prior to Closing to a corporation or other entity controlled by Purchaser, provided that (a) such assignee will assume all obligations of Purchaser hereunder, without Purchaser being released, and (b) such assignment will not, in Seller's reasonable judgment, delay in any material way or make more doubtful the Closing.

11.2 Amendments; Waivers. The terms, covenants, representations, warranties and conditions of this Agreement may be changed, amended modified, waived, discharged or terminated only by a written instrument executed by the Party waiving compliance. The failure of any Party at any time or times to require performance of any provision of this Agreement shall in no manner affect the right of such Party at a later date to enforce the same. No waiver by any Party of any condition or the breach of any provision, term, covenant, representation or warranty contained in this Agreement, whether by conduct or otherwise, in any one or more instance shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of any other provision, term, covenant, representation or warranty of this Agreement.

11.3 Notices. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing (which shall include notice by telex or facsimile transmission) and shall be deemed to have been duly made and received when personally served, or when delivered by Federal Express or a similar overnight courier service, expenses prepaid, or, if sent by telex, graphic scanning or other facsimile communications equipment, delivered by such equipment, addressed as set forth below:

(a) If to Seller, then to Luke Chatton, 11130 San Gabriel Way, Valley Center, CA 92082; and

(b) If to Purchaser, then to: Super League Gaming, Inc.; 2906 Colorado Ave., Santa Monica, CA 90404; Attn: Ann Hand, CEO & President.

Any Party may alter the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section 11.3 providing for the giving of notice.

11.4 Captions. The captions of Articles and Sections of this Agreement are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

11.5 Entire Agreement. This Agreement and the other documents delivered hereunder constitute the full and entire understanding and agreement between the Parties with regard to the subject matter hereof, and supersedes all prior agreements, understandings, inducements or conditions, express or implied, oral or written, relating to the subject matter hereof, except as herein contained. The express terms hereof control and supersede any course of performance and/or usage of trade inconsistent with any of the terms hereof.

11.6 Execution; Counterparts. This Agreement may be executed in any number of original or facsimile counterparts, each of which shall be deemed to be an original as against any Party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the Parties reflected hereon as the signatories.

11.7 Time. Time is of the essence in complying with all stated dates and times.

11.8 Currency. A reference to ' US$' is a reference to the currency of the USA.

11.9 Related Party Transaction; Arms-Length Negotiation. For the avoidance of doubt, this Agreement has been negotiated at arm's-length between the Parties and, by their execution of this Agreement, has been unanimously agreed upon by both Seller and Purchaser.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their authorized signatories as of the date first written above.

**PURCHASER:**

**SUPER LEAGUE GAMING, INC.,**
**A Delaware corporation**

By: /s/ Ann Hand
Ann Hand
CEO & President

**SELLER:**

**MINEHUT,**
**A Sole proprietorship**

By: /s/ Luke Chatton
Luke Chatton

[SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT]

**EXHIBIT A**

**LIST OF ASSETS**

The tangible and intangible assets being sold to SLG consist of the following:

- All Minehut assets, trademarks, IP and service relationships related to the development, infrastructure and support of the Minehut system
- Discord servers
  - Public and staff
- Twitter https://twitter.com/MinehutMC
- OVH account (dedicated servers)
- Domains:
  - Minehut.com
  - Minehut.gg
  - Minehut.me
- Paypal Account (needs to be transferred as it holds active subscriptions)
- Github org
- Google Adsense
- Google Analytics
- Any other services not currently identified, but subsequently deemed necessary by SLG during the transfer process

**EXHIBIT B**

**BILL OF SALE**

**FOR GOOD, ADEQUATE, AND VALUABLE CONSIDERATION,** the receipt and sufficiency which is hereby acknowledged, the undersigned Minehut, a sole proprietorship ("Seller") , hereby grants, bargains, sells, transfers, conveys, and delivers to Super League Gaming , Inc., a Delaware corporation ("'Purchaser"), the following property:

I. All tangible and intangible property listed in Exhibit A and in the Asset Purchase Agreement (collectively, the "Assets") attached hereto and incorporated herein in its entirety by this reference.

Seller warrants and represents that it is the lawful owner of all the Assets and that it has full legal right, power, and authority to sell and transfer the Assets. Seller further warrants and represents that the Assets are free from all liens, encumbrances, liabilities, and adverse claims of every nature and description and that Seller will warrant and defend the Assets against any and all lawful claims.

Dated: June 22, 2018

**SELLER:**

**MINEHUT,**
**A sole proprietorship**

By: /s/ Luke Chatton
Luke Chatton

**PURCHASER:**

**SUPER LEAGUE GAMING, INC.**

By: /s/ Ann Hand
Ann Hand
CEO & President

**Exhibit 14.1**

**SUPER LEAGUE GAMING, INC.**

**CODE OF BUSINESS CONDUCT AND ETHICS**

## I. SCOPE OF CODE

The Board of Directors (the "Board") of Super League Gaming, Inc., a Delaware corporation (the "Company"), has adopted this Code of Business Conduct and Ethics (the "Code") for the members of the Board, the executive officers (as defined under the regulations of the Securities and Exchange Commission) of the Company, including, in any case, but not limited to, the Company's principal executive officer, principal financial officer, principal accounting officer or persons performing similar functions, and the employees of the Company. Each director, executive officer, and employee shall be responsible for complying with this Code.

If any director, executive officer or employee believes that a prohibited act under this Code has occurred, then he or she shall promptly report such belief to the Chairman of the Board and the General Counsel of the Company. Although this is the preferred method for reporting prohibited acts, any director, executive officer or employee should also feel free to report any such alleged prohibited act hereunder to the Chairman of the Audit Committee.

The Board shall review and investigate any such reported prohibited act, without the participation of any director who may be the subject of such report. If the Board determines that any such act represents a violation under this Code, then appropriate remedial or disciplinary action shall be taken. The Company shall disclose any such violation and the remedial or disciplinary action taken, to the extent required by the Federal securities or other applicable laws, including a full, fair, accurate, timely and understandable disclosure in reports and documents the Company submits to or files with the Securities and Exchange Commission (when and if it is subject to the reporting requirements of the Securities Exchange Act of 1934, as amended). If the Board determines that any such act represents a violation under this Code, but does not believe that any remedial or disciplinary action is necessary or desirable (or if the entire Board agrees to waive compliance with a provision of the Code on behalf of any director or executive officer), then the Company shall promptly disclose the violation or waiver and the Board's rationale for its decision. In addition, the Company shall disclose if the Board fails to investigate or take action within a reasonable period of time after learning of any such alleged prohibited act under this Code.

All directors, executive officers and employees are expected to provide full cooperation and disclosure to the Board, the Company and its internal and external auditors in connection with any review of compliance with this Code.

## II. CONFLICTS OF INTEREST

Every director, executive officer and employee has a duty to avoid business, financial or other direct or indirect interests or relationships that conflict with the interests of the Company or that divide such person's loyalty to the Company. A conflict or the appearance of a conflict of interest may arise in many ways. Each director, executive officer and employee must deal at arm's length with the Company and should disclose to the independent directors, as so designated by the Board, any conflict or any appearance of a conflict of interest on his or her part. Any activity that even appears to present such a conflict must be avoided or terminated unless, after such disclosure to the independent directors, it is determined that the activity is not harmful to the Company or otherwise improper. The result of the process of disclosure, discussion and consultation may result in the approval of certain relationships or transactions on the ground that, despite the appearance of any conflict of interest, they are not harmful to the Company. Notwithstanding the foregoing, all conflicts and appearances of conflicts of interest are prohibited, even if they do not harm the Company, unless they have gone through this process.

## III. CONDUCT OF BUSINESS AND FAIR DEALING

No director, executive officer or employee shall:

1. Compete with the Company by providing services to a competitor as an employee, officer or director or in a similar capacity;

2. Profit, or assist others to profit, from confidential information or business opportunities that are available because of services to the Company;

3. Take unfair advantage of any customer, supplier, competitor or other person through manipulation, concealment, misrepresentation of material facts or other unfair-dealing practice; or

4. Improperly influence or attempt to influence any business transaction between the Company and another entity in which a director, executive officer or employee has a direct or indirect financial interest or acts as an employee, officer or director or in a similar capacity.

## IV. GIFTS

No director, executive officer or employee shall solicit or accept gifts, payments, loans, services or any form of compensation from suppliers, customers, competitors or others seeking to do business with the Company. Social amenities customarily associated with legitimate business relationships are permissible. Such amenities include the usual forms of entertainment such as lunches or dinners as well as occasional gifts of modest value. While it is difficult to define "customary," "modest" or "usual" by stating a specific dollar amount, common sense should dictate what would be considered extravagant or excessive. If a disinterested third party would be likely to infer that it affected the judgment of a director, executive officer or employee, then such amenity is impermissible. All business dealings must be on arm's length terms and free of any favorable treatment resulting from the personal interest of our directors, executive officers and employees.

## V. COMPLIANCE WITH LAWS AND REGULATIONS

It is the policy of the Company to comply with the laws of each country in which the Company conducts business. Each director, executive officer and employee shall comply with all applicable laws, rules and regulations, and shall use all reasonable efforts to oversee compliance by other employees, directors and executive officers with all applicable laws, rules and regulations.

## VI. USE OF NON-PUBLIC INFORMATION

A director, executive officer or employee who knows important information about the Company that has not been disclosed to the public must keep such information confidential. The foregoing shall apply both in the case of the Company being privately held and when it is publicly traded and subject to the reporting requirements of the Securities Exchange Act of 1934, as amended. Directors, executive officers and employees shall maintain the confidentiality of any non-public information learned in the performance of their duties on behalf of the Company, except when disclosure is authorized or legally mandated.

It is a violation of United States law to purchase or sell the Company's stock on the basis of such important non-public information when publicly traded. Directors, executive officers and employees may not do so and may not provide such information to others for that or any other purpose. Directors, executive officers and employees also may not buy or sell securities of any other Company using important non-public information obtained in the performance of their duties on behalf of the Company and may not provide any such information so obtained to others.

## VII. USE OF COMPANY FUNDS, ASSETS AND INFORMATION

Each director, executive officer and employee shall protect the Company's funds, assets and information and shall not use the Company funds, assets or information to pursue personal opportunities or gain. No undisclosed or unrecorded fund or asset shall be established for any purpose. No Company funds, assets or information shall be used for any unlawful purpose. No false or artificial entries shall be made in the books and records of the Company for any reason, and no director, executive officer or employee shall engage in any arrangement that results in such prohibited act.