

DATE \_\_\_\_\_ 2019

**(1)Taptica International Limited**

**(2)RhythmOne PLC**

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**COOPERATION AGREEMENT**

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This **AGREEMENT** is made on \_\_\_\_\_ 2019

**BETWEEN:**

- (1) **TAPTICA INTERNATIONAL LIMITED**, a company incorporated under the laws of Israel with registered number 513956060, whose registered office is at Hashmoniam 121, 2nd Floor, Tel Aviv 6713328, Israel ("**Taptica**"); and
- (2) **RHYTHMONE PLC**, a company incorporated under the laws of England and Wales with registered number 06223359, whose registered office is at 6th Floor 65 Gresham Street, London, United Kingdom, EC2V 7NQ ("**RhythmOne**"),

(each a **party** and together **the parties**).

**INTRODUCTION**

- (A) Taptica proposes to announce a firm intention to make a recommended offer for the entire issued and to be issued ordinary share capital of RhythmOne pursuant to Rule 2.7 of the Code (the "**Acquisition**").
- (B) The Acquisition will be made on the terms and subject to the conditions set out in the Announcement and this Agreement.
- (C) The parties intend that the Acquisition will be implemented by way of the Scheme, although Taptica reserves the right, subject to the terms of this Agreement and the Announcement, to implement the Acquisition by way of the Takeover Offer.
- (D) The parties are entering into this Agreement to set out certain obligations and commitments in relation to the implementation of the Acquisition (whether by way of the Scheme or the Takeover Offer).

**AGREEMENT:**

**1. DEFINITIONS AND INTERPRETATION**

- 1.1 In this Agreement (including the recitals but excluding Schedule 1), the following words and expressions shall have the following meanings unless the context requires otherwise. Terms and expressions used in Schedule 1 shall have the meanings given to them in Schedule 1:

**Acceptance Condition:** the acceptance condition to any Takeover Offer;

**Acquisition:** has the meaning given in Recital A;

**Acquisition Document:** (i) if the Scheme is (or is to be) implemented, the Scheme Document; or (ii) if the Takeover Offer is (or is to be) implemented, the Offer Document;

**Agreed Switch:** has the meaning given in Clause 7.1(a);

**AIM:** a market operated by the London Stock Exchange;

**AIM Rules:** the rules and regulations published by the London Stock Exchange which sets out the rules and responsibilities in relation to a company with a class of shares admitted to AIM;

**Announcement:** the announcement detailing the terms and conditions of the Acquisition to be made pursuant to Rule 2.7 of the Code, in the form set out in Schedule 1 (save only for non-material amendments agreed to on behalf of each of the parties);

**Business Day:** a day other than a Saturday or Sunday or public holiday in England and Wales, Israel or the United States on which banks in London, Tel Aviv and New York are open for general commercial business;

**Clearances:** any approvals, consents, clearances, permissions, confirmations, comfort letters and waivers that are required to be obtained, any filings that are required to be made and any waiting periods that need to have expired, from or under any of the Laws, regulations or practices applied by any Government Authority (or under any agreements or arrangements to which any Government Authority is a party) and any other requirements imposed or asserted by a Government Authority, in each case in connection with the Acquisition, and including the Regulatory Conditions;

**Code:** the City Code on Takeovers and Mergers, as issued from time to time by or on behalf of the Panel;

**Communications:** notifications, filings, submissions, material correspondence and material communications, whether oral or in writing, or other forms of engagement;

**Companies Act:** the Companies Act 2006;

**Competing Proposal:** a proposal, offer or expression of interest, whether or not in writing:

- (a) for an offer (including a partial, exchange or tender offer), merger, acquisition, dual-listed structure, scheme of arrangement, reverse take-over, whitewash transaction and/or business combination (or the announcement of a firm intention to do the same), the purpose of which is to acquire, directly or indirectly, 30 per cent. or more of the issued or to be issued ordinary share capital of RhythmOne or any other class of voting or equity securities of RhythmOne or securities convertible into or exchangeable for such voting or equity securities (when aggregated with the shares already held by the acquirer and any person acting or presumed or deemed to be acting in concert with the acquirer) or any arrangement or series of arrangements which results in any party acquiring, consolidating or increasing 'control' (as defined in the Code) of RhythmOne;
- (b) for the acquisition or disposal, directly or indirectly (and including by way of dilution as a result of share issuance by any RhythmOne Group member), of all or a significant proportion (being 30 per cent. or more) of the business, assets and/or undertakings of the RhythmOne Group calculated by reference to any of its revenue, profits or value taken as a whole;
- (c) for a demerger, material reorganisation and/or liquidation involving all or a significant portion (being 30 per cent. or more) of the RhythmOne Group calculated by reference to any of its revenue, profits or value taken as a whole; or
- (d) for any other transaction which would be reasonably likely materially to preclude, impede or delay or otherwise prejudice, or be an alternative to or

inconsistent with, the implementation of the Acquisition (including, for the avoidance of doubt, any transaction or arrangement which would constitute a reverse takeover for the purposes of the AIM Rules undertaken by RhythmOne),

in each case which is not effected by Taptica (or a person acting in concert with Taptica) or at Taptica' direction or with Taptica' agreement, and in each case whether implemented in a single transaction or a series of transactions and whether conditional or otherwise;

**Conditions:**

- (a) for so long as the Acquisition is being implemented by means of the Scheme, the terms and conditions to the implementation of the Acquisition (including the Scheme) as set out in Appendix I to the Announcement and to be set out in the Acquisition Document, as may be amended by a party with the consent of the other party and the Panel; and
- (b) for so long as the Acquisition is being implemented by means of a Takeover Offer, the terms and conditions referred to in (a) above, as amended by replacing the Scheme Conditions with the Acceptance Condition and as may be further amended by Taptica with the consent of the Panel (and, in the event of an Agreed Switch, RhythmOne),

and **Condition** shall be construed accordingly;

**Confidentiality Agreement:** the non-disclosure agreement dated 15 August 2018 entered into between RhythmOne and Taptica;

**Court:** the High Court of Justice in England and Wales;

**Court Hearing:** the hearing by the Court of the petition to sanction the Scheme and to grant the Court Order, such hearing to take place on the date as is agreed between Taptica and RhythmOne, subject to the agreement of the Panel where applicable;

**Court Meeting:** the meeting(s) of the Scheme Shareholders to be convened by order of the Court pursuant to Section 896 of the Companies Act, notice of which will be set out in the Scheme Document, for the purpose of approving the Scheme, including any adjournment thereof;

**Court Order:** the order(s) of the Court sanctioning the Scheme under Section 899 of the Companies Act;

**Effective Date:**

- (a) the date on which the Scheme becomes effective in accordance with its terms; or
- (b) if Taptica elects to implement the Acquisition by means of a Takeover Offer in accordance with the terms of this Agreement, the date that the Takeover Offer becomes or is declared unconditional in all respects;

**Government Authority:** any central bank, ministry, governmental, quasi-governmental, supranational (including the European Union), statutory, regulatory or

investigative body, authority or tribunal (including any national or supranational anti-trust, competition or merger control authority, any sectoral ministry or regulator and foreign investment review body), national, state, municipal or local government (including any subdivision, court, tribunal, administrative agency or commission or other authority thereof), any entity owned or controlled by any of them or any private body (in either case exercising any regulatory, taxing, importing or other authority), any trade agency, association, institution or professional or environmental body in any jurisdiction;

**Law:** any applicable statute, law, rule, regulation, ordinance, code, order, judgment, injunction, writ, decree, directive, policy, guideline, interpretation or rule of common law issued, administered or enforced by any Government Authority, or any judicial or administrative interpretation thereof;

**London Stock Exchange:** London Stock Exchange plc;

**Longstop Date:** 30 April 2019 (or such later date as may be agreed in writing by Taptica and RhythmOne (with the Panel's consent and (if such approval is required) as the Court may approve);

**Misrepresentation:** an untrue statement of material fact or omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made;

**New Taptica Shares:** the new Taptica Shares to be issued pursuant to the Acquisition;

**Offer:** has the meaning given in the Announcement;

**Offer Document:** if (following the date of this Agreement) Taptica elects to implement the Acquisition by way of the Takeover Offer in accordance with Clause 7.1, the document to be sent to (among others) RhythmOne Shareholders setting out, among other things, the full terms and conditions of the Takeover Offer;

**Panel:** the UK Panel on Takeovers and Mergers;

**Regulatory Conditions:** the conditions set out in paragraphs 3.3 to 3.7 inclusive of Part B of Appendix 1 to the Announcement;

**Regulatory Information Service:** any information service authorised from time to time by the Financial Conduct Authority for the purpose of disseminating regulatory announcements;

**Remedies:** any conditions, measures, commitments, undertakings, remedies (including disposal (whether before or following completion of the Acquisition) and any pre-divestiture reorganisations by a party) or assurance (financial or otherwise) offered, imposed or required in connection with the obtaining of any Clearances and that is to come into effect after or conditional on completion of the Acquisition and **Remedy** shall be construed accordingly;

**RhythmOne Board:** the board of directors of RhythmOne from time to time;

**RhythmOne Board Adverse Recommendation Change:**

- (a) if RhythmOne makes an announcement prior to the publication of the Acquisition Document(s) that: (i) the RhythmOne Directors no longer intend to make the RhythmOne Board Recommendation or intend to modify or qualify such recommendation in any adverse way; (ii) except as contemplated in this Agreement, it will not convene the Court Meeting or the RhythmOne General Meeting; or (iii) except as contemplated in this Agreement, it intends not to post the Scheme Document or (if different) the document convening the RhythmOne General Meeting;
- (b) the RhythmOne Board Recommendation is not included by RhythmOne in the Acquisition Document(s); or
- (c) the RhythmOne Directors in any way withdraw, adversely modify or adversely qualify the RhythmOne Board Recommendation;

**RhythmOne Board Recommendation:** a unanimous and unqualified recommendation from the RhythmOne Board to RhythmOne Shareholders in respect of the Acquisition: (i) to vote in favour of the RhythmOne Resolutions; or (ii) in the event of an Agreed Switch, to accept the Takeover Offer;

**RhythmOne Directors:** the directors of RhythmOne from time to time;

**RhythmOne General Meeting:** the general meeting of RhythmOne to be convened in connection with the Scheme, notice of which will be set out in the Scheme Document, including any adjournment thereof;

**RhythmOne Group:** RhythmOne and its subsidiary undertakings and **member of the RhythmOne Group** shall be construed accordingly;

**RhythmOne Resolutions:** such shareholder resolutions of RhythmOne as are necessary to approve, implement and effect the Scheme and the Acquisition and changes to RhythmOne's articles of association;

**RhythmOne Share Plans:** together, the RhythmOne 2017 International Equity Incentive Plan, the RhythmOne EMI Scheme, the RhythmOne Equity Incentive Rollover Plan, the RhythmOne US Share Option Plan, the RhythmOne Autonomy Discretionary Scheme and the RhythmOne Autonomy US Plan;

**RhythmOne Shareholder Meetings:** the Court Meeting and the RhythmOne General Meeting;

**RhythmOne Shareholders:** the holders of RhythmOne Shares from time to time;

**RhythmOne Shares:** the ordinary shares of ten pence each in the capital of RhythmOne;

**Scheme:** the scheme of arrangement proposed to be made under Part 26 of the Companies Act between RhythmOne and the Scheme Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by Taptica;

**Scheme Conditions:** the conditions referred to in Part A and B of Appendix 1 to the Announcement;

**Scheme Document:** the document to be sent to (among others) RhythmOne Shareholders containing and setting out, among other things, the full terms and conditions of the Scheme and containing the notices convening the Court Meeting and the RhythmOne General Meeting;

**Scheme Record Time:** the date and time specified in the Scheme Document, expected to be 6:00 pm on the Business Day immediately preceding the Court Hearing;

**Scheme Shareholders:** the holders of Scheme Shares;

**Scheme Shares:** has the meaning given in the Announcement;

**Switch:** has the meaning given in Clause 7.1;

**Takeover Offer:** a take-over offer (within the meaning of Section 974 of the Companies Act) to be made by or on behalf of Taptica to acquire the entire issued and to be issued share capital of RhythmOne on the terms and conditions to be set out in the Offer Document;

**Taptica Board:** the board of directors of Taptica from time to time;

**Taptica Board Adverse Recommendation Change:** the Taptica Board:

- (a) withdrawing (or modifying in any manner adverse to RhythmOne), or proposing publicly to withdraw (or modify in any manner adverse to RhythmOne), the Taptica Recommendation; or
- (b) failing to include the Taptica Recommendation in the Announcement or the Taptica Circular;

**Taptica Circular:** any notice of meeting and accompanying information circular (including all schedules, appendices and exhibits thereto) to be sent by Taptica to the Taptica Shareholders in connection with the Taptica Shareholder Meeting, including any amendments or supplements thereto;

**Taptica Directors:** the directors of Taptica from time to time;

**Taptica Group:** Taptica and its subsidiary undertakings;

**Taptica Recommendation:** an unqualified recommendation by the Taptica Board to the Taptica Shareholders to vote in favour of the Taptica Shareholder Resolutions;

**Taptica Shareholder Meeting:** the extraordinary general meeting, including any adjournments or postponements thereof in accordance with the terms of this Agreement, of the Taptica Shareholders to be held to consider and, if thought advisable, approve the Taptica Shareholder Resolutions;

**Taptica Shareholder Resolutions:** the shareholder resolutions of the Taptica Shareholders approving (i) the issuance of the New Taptica Shares in accordance with the requirements of the London Stock Exchange, the Israeli Companies Law, 5759-1999, and the Taptica Articles of Association; and (ii) the New Taptica Management Incentive Scheme;

**Taptica Shareholders:** at any time, the holders of Taptica Shares;

**Taptica Share Plans:** the (i) the Taptica Global Share Incentive Plan (2011), (ii) the Taptica 2015 U.S. Equity Incentive Plan and (iii) the Taptica 2017 Equity Incentive Plan; and

**Taptica Shares:** the ordinary shares of a nominal value of NIS 0.01 each in the capital of Taptica.

**UK or United Kingdom:** the United Kingdom of Great Britain and Northern Ireland;

**VAT:** value added tax and any similar sales or turnover tax (including without limitation goods and services tax);

**Working Hours:** 9:30 am to 5:30 pm in the relevant location on a Business Day;

1.2 In this Agreement, unless the context otherwise requires:

- (a) the expressions **subsidiary** and **subsidiary undertaking** have the meanings given in the Companies Act;
- (b) the expressions **acting in concert** and **concert parties** shall be construed in accordance with the Code;
- (c) **interest** in shares or securities shall be construed in accordance with the Code;
- (d) a reference to an enactment or statutory provision shall include a reference to any subordinate legislation made under the relevant enactment or statutory provision and is a reference to that enactment, statutory provision or subordinate legislation as from time to time amended, consolidated, modified, re-enacted or replaced;
- (e) references to a **person** include any individual, an individual's executors or administrators, a partnership, a firm, a body corporate (wherever incorporated), an unincorporated association, Government Authority, a joint venture, association, works council or employee representative body (in any case, whether or not having separate legal personality);
- (f) references to a recital, paragraph, Clause or Schedule (other than a schedule to a statutory provision) shall refer to those of this Agreement unless stated otherwise;
- (g) headings do not affect the interpretation of this Agreement, the singular shall include the plural and vice versa, and references to one gender include all genders;
- (h) unless otherwise specified, references to time are to London time;
- (i) any reference to a **day** (including within the phrase **Business Day**) shall mean a period of 24 hours running from midnight to midnight;
- (j) references to any legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than England, be construed as references to the term or concept which most nearly corresponds to it in that jurisdiction;

- (k) any phrase introduced by the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- (l) references to **£, GBP, pounds sterling, Sterling, pence** and **p** are references to the lawful currency from time to time of the United Kingdom;
- (m) a reference to any other document referred to in this Agreement is a reference to that other document as amended, varied or supplemented at any time; and
- (n) references to this Agreement include this Agreement as amended or supplemented in accordance with its terms.

1.3 The Schedules form part of this Agreement and shall have the same force and effect as if set out in the body of this Agreement and any reference to this Agreement shall include the Schedules.

## 2. PUBLICATION OF THE ANNOUNCEMENT

2.1 The obligations of the parties under this Agreement, other than this Clause 2 and Clauses 12 to 17 (inclusive) and 22 to 26 (inclusive), shall be conditional on the release of the Announcement via a Regulatory Information Service (or otherwise in accordance with Rule 30.1 of the Code) at or before 8.00 a.m. on the date of this Agreement or such later time and date as the parties may agree (and, where required by the Code, the Panel may approve). This Clause 2 and Clauses 12 to 20 (inclusive) and 22 to 26 (inclusive) shall take effect on and from execution of this Agreement.

2.2 The terms of the Acquisition shall be as set out in the Announcement, together with such other terms as may be agreed by the parties in writing and, where required by the Code, approved by the Panel. The terms of the Acquisition at the date of publication of the Acquisition Document shall be set out in the Acquisition Document.

## 3. CLEARANCES

3.1 Except where otherwise required by Law or Government Authority, Taptica shall:

- (a) jointly with RhythmOne, determine the strategy or decisions for obtaining the Clearances, including:
  - (i) the determination, timing and sequencing regarding any discussion, offer or agreement of Remedies, if any are required, with any Government Authorities; and
  - (ii) the determination of any Remedies discussed with, offered to or agreed with any Government Authorities,

save that in the event of any disagreement between Taptica and RhythmOne over strategy or decisions in relation to, or the offer or agreement of Remedies to satisfy, any Regulatory Condition, Taptica may solely determine such strategy or decisions and may solely determine such offer or agreement of Remedies, except where such Remedies would have a material adverse effect on the Taptica Group following the consummation of the Acquisition;

- (b) subject to Clause 3.4, promptly contact and correspond with the Government Authorities in relation to Clearances (including submitting and preparing all necessary filings, notifications and submissions); and
- (c) be responsible for the payment of all fees required in connection with obtaining the Clearances to satisfy any Regulatory Condition.

3.2 Subject to Clause 3.1, the parties shall use their respective best endeavours:

- (a) provide to each other, in a timely manner, such information and assistance as may be required for:
  - (i) the parties to determine in which jurisdictions any merger control, regulatory or other filing, notification, submission or engagement with a Government Authority is necessary or advisable for the purposes of obtaining the Clearances;
  - (ii) the parties to make any filings, notifications or submissions to the Government Authorities as are necessary in connection with the obtaining of Clearances, taking into account all applicable waiting periods;
  - (iii) the identification, structuring and preparation of any Remedies or proposed Remedies; and
  - (iv) responding to any inquiries from other Government Authorities concerning the application or potential application of any Laws to the Acquisition; and
- (b) ensure that all information necessary:
  - (i) for the making of (or responding to any requests for further information consequent upon) any such filings, notifications, submissions or engagements (including draft versions) necessary for the purpose of obtaining the Clearances; and
  - (ii) the identification, structuring and preparation of any Remedies,

and that is in the possession of, or reasonably obtainable by the parties (including from third parties through the exercise of contractual rights) is supplied accurately and as promptly as reasonably practicable.

3.3 RhythmOne shall:

- (a) not offer or agree to any Remedies without the express written approval of Taptica;
- (b) subject to Clause 3.4, not discuss the terms or potential terms of any Remedies without the express written approval of Taptica; and
- (c) in relation to any Regulatory Condition, agree to any Remedies (provided that the determination of such Remedies is made in accordance with Clause 3.1) to which Taptica requests RhythmOne to be party to; provided, however, that RhythmOne's fulfilment of any obligations under such Remedies shall be conditioned on the consummation of the Acquisition.

3.4 Except to the extent that to do so is prohibited by Law and subject to Clauses 3.1 and 3.6:

- (a) Taptica, RhythmOne or Taptica and RhythmOne jointly, as may be required, will engage with and/or submit a filing, notification or submission (as required) to each relevant Government Authority as soon as is reasonably practicable after the signing of this Agreement and in any event within any applicable mandatory time periods where it is necessary, desirable, appropriate or expedient to do so to obtain the Clearances;
- (b) each party shall provide in a timely manner such cooperation as is reasonably required by the other in connection with the preparation of all such filings, notifications, submissions or engagements referred to in Clause 3.4(a) and in relation to the preparation of any other Communications with or to any Government Authority in connection with the Clearances, taking into account all applicable waiting periods;
- (c) each party shall provide, or procure the provision of, draft copies of all Communications (including, in the case of material non-written Communications, reasonably detailed summaries of the material non-written Communications) intended to be sent or communicated to any Government Authority in relation to any Clearances to the other party and its legal advisers at such time as will allow the receiving party a reasonable opportunity to provide comments on such Communications before they are submitted, sent or made;
- (d) each party shall provide the other party with copies of all Communications in the form finally submitted or sent to any Government Authority in relation to any Clearances (including, in the case of material non-written Communications, reasonably detailed summaries of the material non-written Communications);
- (e) each party shall consider in good faith comments made in a timely manner by the other party on draft copies of Communications provided pursuant to Clause 3.4(c) and shall provide such supporting documentation as the other party may request;
- (f) each party shall notify the other party, and provide copies (including, in the case of material non-written Communications, reasonably detailed summaries of the material non-written Communications), in a timely manner, of any Communication from or with any Government Authority in relation to the Acquisition or any Clearance;
- (g) each party shall keep the other party reasonably informed as to the progress of any filing, notification and submission submitted pursuant to Clause 3.4(a) and shall give the other reasonable prior notice of any meetings or calls with any Government Authority or other persons or bodies relating to any Clearance (including at pre-notification stage) and, to the extent reasonably practicable, shall reasonably consider requests by the other party to allow their representatives or advisers nominated: (i) to attend all meetings or calls with any Government Authority (unless prohibited by the Government Authority or Law) relating to any Clearance; and (ii) to make reasonable oral submissions at such meetings or calls (provided that such oral submissions have been discussed in advance); and

- (h) where reasonably requested by a party, and insofar as permitted by a Government Authority, the other party shall make available appropriate representatives for meetings and calls with any Government Authority in connection with any Clearances.
- 3.5 Each party undertakes to keep the other party informed promptly of:  
(a) developments which are material or reasonably likely to be material to the obtaining of a Clearance; and (b) the satisfaction of the Regulatory Conditions.
- 3.6 Subject to Clause 3.1, each party undertakes not to:
- (a) submit a filing, submission or notification to, or, otherwise engage with, any Government Authority in a jurisdiction where a Clearance is neither required nor determined by Taptica and RhythmOne to be appropriate or advisable for the Acquisition to be completed; or
  - (b) withdraw a filing, submission or notification made to any Government Authority whose Clearance is required or determined by Taptica and RhythmOne to be appropriate or advisable for the Acquisition to be completed; or
  - (c) other than as required by Law to be paid in respect of any filing, submission or notification to any Government Authority that is required to be made by it pursuant to the terms of this Clause 3, make any payment of any amount to any Government Authority in connection with the Acquisition,

in each case, without the prior written consent of the other party.

- 3.7 If a provision of this Agreement obliges the parties to disclose any information to the other:
- (a) which the disclosing party reasonably considers to be competitively sensitive;
  - (b) which the disclosing party is prohibited from disclosing by Law or the terms of an existing contract; or
  - (c) where such disclosure would result in the loss of privilege that subsists in relation to such information (including legal professional privilege),

the disclosing party shall disclose the relevant information to the other: (i) pursuant to appropriate arrangements as may be agreed between the parties; or (ii) where disclosure in a manner contemplated by Clause 3.4(a) would reasonably be expected to have a material adverse effect on the disclosing party's legitimate business interest, directly to a Government Authority (and in such circumstances, the disclosing party shall provide to the other party a non-confidential version of such information).

- 3.8 To the extent that:
- (a) RhythmOne provides Taptica with any information, assistance and/or access to RhythmOne's senior management for the purposes of preparing for and monitoring the integration of the businesses of the Taptica Group and the RhythmOne Group after the Effective Date (which RhythmOne is under no obligation to provide); or

- (b) Taptica provides RhythmOne with any information, assistance and/or access to Taptica' senior management for the purposes of preparing for and monitoring the integration of the businesses of the Taptica Group and the RhythmOne Group after the Effective Date (which Taptica is under no obligation to provide),

any competitively sensitive information shall be provided pursuant to appropriate arrangements as may be agreed between the parties.

- 3.9 For the avoidance of doubt, nothing in this Agreement shall oblige Taptica to offer or agree any Remedy or to waive or satisfy any Regulatory Condition.

#### 4. **SCHEME DOCUMENT**

- 4.1 Subject to Clause 3.7, Taptica agrees:

- (a) promptly to provide RhythmOne all such information about itself, its directors and the Taptica Group as may be reasonably be requested and which is required by RhythmOne (having regard to the Code and other Law) for inclusion in the Scheme Document (including any information required under the Code or other Law);
- (b) promptly to provide RhythmOne with all such other assistance and access as may reasonably be required in connection with the preparation of the Scheme Document and any other document required under the Code or by other Law to be published in connection with the Scheme, including access to, and ensuring the provision of reasonable assistance by, Taptica' relevant professional advisers; and
- (c) to procure that the Taptica Directors accept responsibility, in the terms required by the Code, for all the information related to them (and members of their immediate families, related trusts and persons connected with them), the Taptica Group, the financing of the Acquisition, information on Taptica' future plans for the RhythmOne Group, its management and employees, any statements of opinion, belief or expectation of the Taptica Directors in relation to the Acquisition in the Scheme Document and any other document required under the Code or by other Law to be published in connection with the Scheme.

#### 5. **IMPLEMENTATION OF THE ACQUISITION**

- 5.1 Where the Acquisition is being implemented by way of the Scheme:

- (a) each party undertakes to the other that, by no later than 11.59 p.m. on the Business Day immediately preceding the Court Hearing, it shall deliver a notice in writing to the other party either:
  - (i) confirming the satisfaction or waiver of all Conditions (other than the Scheme Conditions); or
  - (ii) confirming its intention to invoke a Condition (if permitted by the Panel) and providing reasonable details of the event which has occurred, or circumstances which have arisen, which the invoking party reasonably considers entitled to invoke the Condition and why the invoking party considers such event or circumstance to be of

sufficient material significance in the context of the Offer for the Panel to permit it to invoke such Condition; and

(b) where Taptica confirms the satisfaction or waiver of all Conditions (other than the Scheme Conditions) in accordance with Clause 5.1(a)(i), Taptica agrees that RhythmOne shall be permitted to take the necessary steps to procure that the Court Hearing is duly held as soon as reasonably practicable thereafter (having regard to the proposed timetable agreed between the parties and included in the Scheme Document or in any subsequent agreed announcement regarding the implementation of the Acquisition).

5.2 If the Taptica Board becomes aware of any fact, matter or circumstance that is likely, after the issue of the Scheme Document, to significantly change the scheme timetable, and/or the Taptica Board reasonably considers would entitle it to invoke (and, applying the test set out in Rule 13.5 of the Code, the Panel would permit it to so invoke) any of the Conditions, Taptica shall (subject to applicable Law) inform RhythmOne providing reasonable details as soon as is reasonably practicable.

## **6. TAPTICA DOCUMENTS AND TAPTICA RECOMMENDATION**

6.1 Taptica shall as promptly as practicable, set the record date for Taptica Shareholders entitled to receive notice of and vote at the Taptica Shareholder Meeting in accordance with Taptica' constitutional documents and Law.

6.2 Taptica shall coordinate with RhythmOne to set the date of the Taptica Shareholder Meeting and Taptica shall duly take all lawful action to give notice of, convene and conduct the Taptica Shareholder Meeting in accordance with Taptica' constitutional documents and Law on such other date as may be agreed by both parties in writing.

6.3 Subject to RhythmOne's compliance with Clause 6.4, Taptica shall as promptly as reasonably practicable prepare the Taptica Circular together with any other documents required by Law in connection with the Taptica Shareholder Meeting, file the Taptica Circular in all jurisdictions where the same is required by Law to be filed and mail the Taptica Circular to the Taptica Shareholders in accordance with Taptica' constitutional documents and Law.

6.4 RhythmOne agrees to provide promptly to Taptica, to the standard that is required for Taptica to meet its obligations under Law, all such information about itself, its directors and the RhythmOne Group as is required for the purpose of inclusion in (or submission with) the Taptica Circular.

6.5 Taptica shall promptly advise RhythmOne of any written communication it receives from any Taptica Shareholder or person acting on behalf of a Taptica Shareholder in opposition to the Acquisition or the Taptica Resolution, except for non-substantive communications from any Taptica Shareholder that purports to hold less than one per cent of the issued Taptica Shares.

6.6 Taptica shall, after the mailing of the Taptica Circular and before the Taptica Shareholder Meeting, keep RhythmOne informed promptly on a regular basis or as soon as reasonably practicable following written request from RhythmOne of the number of proxies received by Taptica (or its agent) from Taptica Shareholders in respect of the Taptica Shareholder Resolutions and their stated voting instructions.

6.7 Taptica (and, in respect of information relating to RhythmOne only, RhythmOne) shall promptly notify the other if at any time before the Effective Date either of them

becomes aware that the Taptica Circular or the Scheme Document contains a Misrepresentation or otherwise requires an amendment or supplement and Taptica and RhythmOne shall co-operate in the preparation of any amendment or supplement to the Taptica Circular or Scheme Document as reasonably required. Taptica shall, in respect of the Taptica Circular, and RhythmOne shall, in respect of the Scheme Document, promptly mail, file and/or otherwise publicly disseminate any such amendment or supplement to the Taptica Shareholders (in respect of the Taptica Circular) or to the RhythmOne Shareholders (in respect of the Scheme Document) in accordance with Law and their respective constitutional documents.

6.8 Notwithstanding anything to the contrary contained in this Agreement, if the Taptica Board reasonably believes, after consulting with its outside counsel and RhythmOne, that:

- (a) it is necessary to postpone or adjourn the Taptica Shareholder Meeting to ensure that any required supplement or amendment to the Taptica Circular is provided to the Taptica Shareholders within a reasonable amount of time in advance of the Taptica Shareholder Meeting; or
- (b) it will not receive proxies sufficient to approve the Taptica Shareholder Resolutions, whether or not a quorum is present, or (B) it will not have sufficient Taptica Shares represented (either in person or by proxy) to constitute a quorum necessary to conduct the business of the Taptica Shareholder Meeting,

then Taptica may postpone or adjourn, or make one or more successive postponements or adjournments of, the Taptica Shareholder Meeting, as long as the date of the Taptica Shareholder Meeting is not postponed or adjourned more than an aggregate of 14 calendar days.

6.9 Taptica shall provide draft copies of the Taptica Circular to RhythmOne at such time as will allow RhythmOne reasonable opportunity to review and comment on such drafts and Taptica shall give reasonable consideration to any comments provided by RhythmOne, provided that any information relating solely to RhythmOne, its directors and the RhythmOne Group in the Taptica Circular shall be in form and content approved in writing by RhythmOne, acting reasonably (provided such form and content is compliant with Law and acceptable to the relevant regulatory authorities) and provided that the inclusion of information referred to in Clause 6.4 shall be subject to RhythmOne's compliance with its obligations thereunder.

6.10 If the Taptica Board determines that, by reason of a material change from the information in the Taptica Circular, it is legally necessary for Taptica to have the Taptica Shareholders pass the Taptica Shareholder Resolutions a second time, Taptica and RhythmOne shall again comply with Clause 6.

6.11 For so long as the Acquisition is being implemented by way of the Scheme, Taptica shall use all reasonable endeavours to cause all New Taptica Shares which are issued to RhythmOne Shareholders upon the Scheme becoming effective to be issued in reliance on the exemption from the registration requirements of the U.S. Securities Act 1933 provided by section 3(a)(10) of the U.S. Securities Act 1933 or as may be provided by such other applicable exemption from the registration requirements of the U.S. Securities Act 1933.

## 7. SWITCHING TO A TAKEOVER OFFER

- 7.1 The parties currently intend that the Acquisition will be implemented by way of the Scheme. However, Taptica shall be entitled, with the consent of the Panel, to implement the Acquisition by way of the Takeover Offer rather than the Scheme (such election being a “**Switch**”) if:
- (a) RhythmOne provides its prior written consent (an “**Agreed Switch**”);
  - (b) a Competing Proposal is announced in accordance with Rule 2.7 of the Code which is recommended in whole or in part by the RhythmOne Directors; or
  - (c) the RhythmOne Board withdraws, adversely modifies or adversely quantifies the RhythmOne Board Recommendation.
- 7.2 In the event of any Agreed Switch, unless otherwise agreed with RhythmOne or as required by the Panel:
- (a) the Acceptance Condition shall be set at 90 per cent. (or as Taptica may decide) of the RhythmOne Shares to which the Takeover Offer relates (or such lesser percentage as may be agreed between the parties in writing after, to the extent necessary, consultation with the Panel, being in any case more than 50 per cent of the RhythmOne Shares);
  - (b) the Takeover Offer shall be on substantially the same or more favourable terms and conditions as the Scheme (other than with respect to the Acceptance Condition), subject only to appropriate amendments to reflect the switch to a Takeover Offer;
  - (c) Taptica shall not take any action which would cause the Takeover Offer not to proceed, to lapse or to be withdrawn, in each case for non-fulfilment of the Acceptance Condition prior to the earlier of (i) the 60<sup>th</sup> day after publication of the Offer Document and (ii) the Longstop Date, and Taptica shall ensure that the Takeover Offer remains open for acceptances until such time;
  - (d) Taptica shall keep RhythmOne informed promptly on written request from RhythmOne, of the number of RhythmOne Shareholders (and the aggregate number of RhythmOne Shares that they hold) that have validly returned their acceptance or withdrawal forms or incorrectly completed their withdrawal or acceptance forms and the identity of such RhythmOne Shareholders; and
  - (e) Taptica will comply, and will assist RhythmOne with complying, with all applicable Law and regulations of applicable Government Authorities in connection with the Takeover Offer.
- 7.3 In the event of any Switch, the parties agree that, save as otherwise provided in this Agreement:
- (a) all provisions of this Agreement shall continue to apply; and
  - (b) all provisions of this Agreement relating to the Scheme and its implementation shall apply to the Takeover Offer or its implementation mutatis mutandis.

## 8. **INTEGRATION PLANNING**

As soon as reasonably practicable following the date of the Announcement, Taptica agrees that it will invite RhythmOne to establish a joint integration team to use all reasonable endeavours to plan for the post-closing integration of the two businesses, provided that, in the event that any competitively sensitive information is disclosed, the disclosing party shall disclose the relevant information pursuant to appropriate arrangements as may be agreed between the parties, and subject all times to the provisions of Rule 21.3 of the Code and that any agreement reached as to such post-closing integration will be binding only following the Scheme becoming effective (or if a Takeover Offer, upon becoming unconditional as to acceptances).

## 9. **DIRECTORS' AND OFFICERS' INSURANCE**

9.1 If and to the extent such obligations are permitted by Law, for six years after the Effective Date, Taptica shall procure that the members of the RhythmOne Group honour and fulfil their respective obligations (if any) existing as at the date of this Agreement to indemnify their respective directors and officers and to advance expenses, in each case with respect to matters existing or occurring at or prior to the Effective Date.

9.2 Taptica acknowledges that, prior to the Effective Date, RhythmOne may purchase customary "tail" directors' and officers' liability insurance cover for both current and former directors and officers of the RhythmOne Group who have held office within 12 months preceding the date of this Agreement, including directors and officers who retire or whose employment is terminated as a result of the Acquisition, for acts and omissions up to and including the Effective Date, in the form of runoff cover for a period of six years following the Effective Date. Such insurance cover shall be with reputable insurers and provide cover, in terms of amount and breadth, substantially equivalent to that provided under the RhythmOne Group's directors' and officers' liability insurance as at the date of this Agreement provided further that in no event shall RhythmOne expend for such policies an aggregate premium amount in excess of \$142,995.

## 10. **CONDUCT OF BUSINESS**

10.1 Until the Effective Date, except (x) with RhythmOne's prior written consent (not to be unreasonably withheld, conditioned or delayed), (y) as required by Law or (z) to the extent the relevant matter is expressly permitted by or in this Agreement or the Announcement, Taptica shall not and shall procure that no member of the Taptica Group shall agree, resolve, commit or announce any agreement or intention to:

(a) other than granting options or awards in respect of shares in the ordinary course in accordance with past practice, and pursuant to the terms of the Taptica Share Plans or as otherwise approved by Taptica Shareholders:

(i) allot or issue any Taptica Shares or any securities convertible into Taptica Shares; or

(ii) grant any option over or right to subscribe for any such shares or any such securities referred in Clause 10.1(a)(i); or

(b) other than:

- (i) as required pursuant to the terms of awards granted under the Taptica Share Plans; or
  - (ii) in the ordinary course in accordance with past practice and in a manner compliant with the Taptica Share Plans,  
vest or accelerate or waive any conditions relating to any awards under the Taptica Share Plans;
  - (c) consolidate, sub-divide or reclassify any of the Taptica Shares;
  - (d) amend Taptica's constitutional documents;
  - (e) authorise, declare or pay any distribution or reduction or return of capital on or with respect to the Taptica Shares (whether in cash, assets, shares or other securities);
  - (f) directly or indirectly repurchase, redeem or otherwise acquire any of the Taptica Shares or any rights or options to acquire or subscribe for any such Taptica Shares;
  - (g) take any action or fail to do any anything which could reasonably be expected to prejudice the listing of the Taptica Shares on AIM;
  - (h) make any acquisitions or disposals of any assets of a material amount ("material" for this purpose having the meaning set out in Note 2 to Rule 21.1 of the Code, as if it applied to Taptica); or
  - (i) enter into contracts otherwise than in the ordinary course of business.
- 10.2 The obligations in Clause 10.1 shall cease to have effect on a RhythmOne Board Adverse Recommendation Change.

10.3 RhythmOne acknowledges the provisions of Rule 21.1 of the Code.

## 11. TERMINATION

- 11.1 Subject to Clauses 11.2 and 11.3, this Agreement shall terminate and all obligations of the parties under this Agreement shall cease, as follows:
- (a) if agreed in writing between the parties before the Effective Date;
  - (b) if the Announcement is not released by 8.00 a.m. on the date of this Agreement (unless, prior to that time, the parties have agreed another time in accordance with Clause 2);
  - (c) if the Taptica Shareholder Resolutions necessary to satisfy the relevant Condition shall not have been obtained at the Taptica Shareholder Meeting or at any adjournment or postponement thereof in accordance with this Agreement;
  - (d) upon service of written notice by RhythmOne to Taptica prior to the approval of the Taptica Shareholder Resolutions (or, if Clause 6.10 applies, prior to the approval of any further Taptica Shareholder Resolutions which may be required) and subject to compliance by RhythmOne with its obligations under Clause 6, if Taptica adjourns or postpones the Taptica Shareholder Meeting

by more than 14 calendar days or fails to publish the Taptica Circular as required pursuant to Taptica' obligations under Clause 6 (if such breach of Clause 6 is ongoing following the date that is two calendar days following RhythmOne's delivery of written notice to Taptica of such breach or is otherwise not curable) or the Taptica Circular does not contain the Taptica Recommendation;

- (e) upon service of written notice by Taptica to RhythmOne prior to the approval of the RhythmOne Resolutions, if a RhythmOne Board Adverse Recommendation Change occurs prior to the RhythmOne Shareholder Meetings;
- (f) upon service of written notice by RhythmOne to Taptica prior to the approval of the Taptica Shareholder Resolutions (or, if Clause 6.10 applies, prior to the approval of any further Taptica Shareholder Resolutions which may be required) if a Taptica Board Adverse Recommendation Change occurs prior to the Taptica Shareholder Meeting;
- (g) upon service of written notice by a party prior to the Longstop Date stating that either:
  - (i) any Condition which has not been waived is (or has become) incapable of satisfaction by the Longstop Date and, notwithstanding that the party has the right to waive such Condition, it will not do so; or
  - (ii) any Condition which is incapable of waiver is incapable of satisfaction by the Longstop Date,

in each case in circumstances where the invocation of the relevant Condition (or confirmation that the Condition is incapable of satisfaction, as appropriate) has been permitted by the Panel;

- (h) upon service of written notice by Taptica to RhythmOne prior to the Longstop Date, if:
  - (i) a Competing Proposal is recommended by the RhythmOne Board; or
  - (ii) a Competing Proposal completes, becomes effective or is declared or becomes unconditional in all respects;
- (i) if the Acquisition is, with the permission of the Panel, withdrawn or lapses in accordance with its terms prior to the Longstop Date (other than where:
  - (i) such lapse or withdrawal is as a result of the exercise of Taptica' right to effect an Agreed Switch; or
  - (ii) such lapse or withdrawal is not followed within five Business Days by an announcement under Rule 2.7 of the Code made by Taptica or a person acting in concert with Taptica to implement the Acquisition by a different offer or scheme on substantially the same or improved terms);
- (j) except in the case of a Switch, if the RhythmOne Resolutions necessary to satisfy the Scheme Condition shall not have been obtained at the RhythmOne

Shareholder Meeting or at any adjournment or postponement thereof in accordance with this Agreement;

- (k) unless otherwise agreed by the parties in writing, if the Effective Date has not occurred on or before the Longstop Date; or
- (l) on the Effective Date.

11.2 The following provisions shall survive termination of this Agreement:

- (a) Clause 8 (but only in circumstances where this Agreement is terminated on or after the Effective Date); and
- (b) this Clause 10, Clauses 13 to 20 (inclusive), Clauses 22 to 26 (inclusive), and all related provisions of Clause 1. In addition if this Agreement terminates pursuant to Clauses 11.1(e) or 11.1(h)(i), Clauses 3.2, 3.4, 3.6, 5 and 6.4 shall also survive such termination.

11.3 If this Agreement is terminated by the service of a written notice by Taptica to RhythmOne pursuant to Clause 11.1(e) or 11.1(h), RhythmOne shall be obliged to provide to Taptica any outstanding information (and which, but for the termination of this Agreement, RhythmOne would have been obliged to provide) that is in the possession of, or reasonably obtainable by RhythmOne (including from third parties through the exercise of contractual rights), that has been requested by Taptica from RhythmOne (prior to the date of termination of this Agreement) to enable Taptica to submit any filings, notifications or submissions to a Government Authority for the purposes of obtaining Clearances or for the preparation and submission of the Taptica Circular. All such information shall be supplied accurately and as promptly as reasonably practicable and, notwithstanding anything contrary in the Confidentiality Agreement, Taptica shall be entitled to use such information for the purposes of obtaining Clearances or for inclusion in the Taptica Circular. Clause 3.7 shall apply to this Clause 11.3.

11.4 Termination of this Agreement shall be without prejudice to the rights of the Parties which have arisen prior to termination, including in relation to any claim in respect of a breach of this Agreement.

## 12. TAKEOVER CODE

12.1 Nothing in this Agreement shall in any way limit the parties' obligations under the Code, and any uncontested rulings of the Panel as to the application of the Code in conflict with the terms of this Agreement shall take precedence over such terms of this Agreement.

12.2 Nothing in this Agreement shall oblige RhythmOne or the RhythmOne Directors to recommend a Takeover Offer or a Scheme proposed by Taptica or any member of the Taptica Group.

12.3 Without prejudice to the representations and warranties given by the parties pursuant to Clause 13.1, nothing in this Agreement shall be taken to restrict the directors of any member of the Taptica Group or the RhythmOne Group from complying with Law, orders of court or regulations, including the Code, the AIM Rules, and the rules and regulations of the Panel and the London Stock Exchange

- 12.4 The parties agree that, if the Panel determines that any provision of this Agreement that requires RhythmOne to take or not to take action, whether by direct obligation or a condition to any other person's obligation (howsoever expressed), is not permitted by Rule 21.2 of the Code, such provision shall have no effect and shall be disregarded.
- 12.5 The parties agree that the Confidentiality Agreement continues to apply in full save that it shall be deemed to be amended by the parties to the extent necessary to permit RhythmOne to make any public announcement referred to in Rule 2.3(d) of the Code.

### 13. REPRESENTATIONS AND WARRANTIES

- 13.1 Each party represents and warrants to the other party on the date of this Agreement that:
- (a) it has the requisite power and authority to enter into and perform its obligations under this Agreement;
  - (b) this Agreement constitutes its binding obligations in accordance with its terms; and
  - (c) the execution and delivery of, and performance of its obligations under, this Agreement will not:
    - (i) result in any breach of any provision of its constitutional documents;
    - (ii) result in a breach of, or constitute a default under, any instrument which is material in the context of the Acquisition to which it is a party or by which it is bound; or
    - (iii) result in a breach of any order, judgment, or decree of any court or governmental agency to which it is a party or by which it is bound.
- 13.2 No party shall have any claim against any other party pursuant to Clause 13.1 for misrepresentation or breach of warranty after the Effective Date (without prejudice to any liability for fraudulent misrepresentation or fraudulent misstatement).

### 14. COSTS

Except as otherwise provided in this Agreement, each party shall pay the costs and expenses incurred by it in connection with the negotiation, preparation, execution and completion of this Agreement or otherwise in connection with the Acquisition.

### 15. ENTIRE AGREEMENT

- 15.1 Without prejudice to the terms of the Announcement or the Acquisition Document, this Agreement and the Confidentiality Agreement together set out the entire agreement between the parties relating to the Acquisition and supersede any previous draft, agreement, arrangement or understanding, whether in writing or not, relating to the Acquisition.
- 15.2 Each party acknowledges that in entering into and performing its obligations under this Agreement it is not relying upon any pre-contractual statement that is not set out in this Agreement or the Confidentiality Agreement.

- 15.3 Except in the case of fraud or fraudulent misrepresentation, no party shall have any right of action against any other party to this Agreement arising out of or in connection with any pre-contractual statement that is not set out in this Agreement or the Confidentiality Agreement.
- 15.4 For the purposes of this Clause, **pre-contractual statement** means any draft, agreement, undertaking, representation, warranty, promise, assurance or arrangement of any nature whatsoever, whether or not in writing, relating to the subject matter of this Agreement or the Confidentiality Agreement made or given by any person at any time prior to the entry into of this Agreement.
- 15.5 Each party agrees to the terms of this Clause 15 on its own behalf.

16. **ASSIGNMENT**

Unless the parties specifically agree in writing, no person shall assign, transfer, charge or otherwise deal with all or any of its rights under this Agreement nor grant, declare, create or dispose of any right or interest in it.

17. **NOTICES**

- 17.1 Any notice to be given by one party to the other party in connection with this Agreement shall be in writing in English and signed by or on behalf of the party giving it. It shall be delivered by hand, e-mail, registered post or courier.
- 17.2 A notice shall be effective upon receipt and shall be deemed to have been received (i) at the time of delivery, if delivered by hand, registered post or courier or (ii) at the time of transmission if delivered by e-mail. Where delivery occurs outside Working Hours, notice shall be deemed to have been received at the start of Working Hours on the next following Business Day.
- 17.3 The addresses and e-mail addresses of the parties for the purpose of Clause 17.1 are:

**Taptica**

Address: Hashmoniam 121  
2nd Floor  
Tel Aviv 6713328  
Israel

E-mail: Yaniv.c@taptica.com

For the attention of: Yaniv Carmi

*With a copy (which shall not constitute notice) to:*

Address: Charles Russell Speechlys LLP  
5 Fleet Place  
London  
EC4M 7RD  
United Kingdom

E-mail: andrew.collins@crsblaw.com

For the attention of: Andrew Collins

*With a copy (which shall not constitute notice) to:*

Address: Naschitz Brandes Amir  
5 Tuval Street  
Tel Aviv  
6789717  
Israel

E-mail: tgeffen@nblaw.com

For the attention of: Tuvia Geffen

### **RhythmOne**

Address: 6th Floor  
65 Gresham Street  
London  
EC2V 7NQ  
United Kingdom

E-mail: singer@viexcapi.com

For the attention of: Eric Singer

*With a copy (which shall not constitute notice) to:*

Address: Pillsbury Winthrop Shaw Pittman LLP  
2550 Hanover Street  
Palo Alto  
CA 94304-1115  
United States of America

E-mail: jim.masetti@pillsburylaw.com

For the attention of: Jim Masetti

*With a copy (which shall not constitute notice) to:*

Address: Pillsbury Winthrop Shaw Pittman LLP  
Tower 42, Level 23  
25 Old Broad Street  
London EC2N 1HQ  
United Kingdom

E-mail: james.campbell@pillsburylaw.com

For the attention of: James Campbell

Each party shall notify the other party in writing of any change to its details in Clause 17.3 from time to time.

**18. LANGUAGE**

Each language of communication under or in connection with this Agreement shall be in English.

**19. WAIVERS, RIGHTS AND REMEDIES**

19.1 The rights and remedies provided for in this Agreement are cumulative and not exclusive of any other rights or remedies, whether provided by Law or otherwise and may be delayed, released or waived only in writing and specifically.

19.2 No failure to exercise, or delay in exercising, any right under this Agreement or provided by Law shall affect that right or operate as a waiver of the right. The single or partial exercise of any right under this Agreement or provided by Law shall not preclude any further exercise of it.

19.3 Without prejudice to any other rights or remedies that the other party may have, each party acknowledges and agrees that damages may not be an adequate remedy for any breach by it of this Agreement and that accordingly the other party may be entitled, without proof of special damages, to seek the remedies of injunction, specific performance or other equitable relief for any threatened or actual breach of this Agreement by any party and no proof of special damages shall be necessary for the enforcement by any party of the rights under this Agreement.

**20. NO PARTNERSHIP**

No provision of this Agreement creates a partnership between the parties or makes a party the agent of the other party for any purpose. A party has no authority or power to bind, to contract in the name of, or to create a liability for the other party in any way or for any purpose.

**21. FURTHER ASSURANCES**

Each party undertakes, for no further consideration or payment and at its own cost (and shall procure that members of its respective group shall and shall use reasonable efforts to procure that any necessary third party shall) to execute such documents, provide such consents and do such acts and things as the requesting party may reasonably require for the purpose of giving the full benefit of this Agreement to the requesting party.

**22. COUNTERPARTS**

This Agreement may be executed in any number of counterparts, and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Agreement in Portable Document Format (PDF) shall be effective as delivery of a manually executed original counterpart of this Agreement.

**23. VARIATIONS**

23.1 No variation of this Agreement shall be valid unless it is in writing and duly executed by or on behalf of all of the parties to it.

23.2 If this Agreement is varied:

- (a) the variation shall not constitute a general waiver of any provisions of this Agreement;
- (b) the variation shall not affect any rights, obligations or liabilities under this Agreement that have already accrued up to the date of variation; and
- (c) the rights and obligations of the parties under this Agreement shall remain in force, except as, and only to the extent that, they are varied.

## 24. **INVALIDITY**

24.1 Each of the provisions of this Agreement is severable.

24.2 If and to the extent that any provision of this Agreement:

- (a) is held to be, or becomes, invalid or unenforceable under the Law of any jurisdiction; but
- (b) would be valid, binding and enforceable if some part of the provision were deleted or amended,

then the provision shall apply with the minimum modifications necessary to make it valid, binding and enforceable and neither the validity or enforceability of the remaining provisions of this Agreement, nor the validity or enforceability of that provision under the Law of any other jurisdiction, shall in any way be affected or impaired as a result of this Clause 24.2.

## 25. **THIRD PARTY ENFORCEMENT RIGHTS**

25.1 Each of the persons to whom Clauses 9.1 and/or 9.2 applies or otherwise benefits may enforce the terms of Clauses 9.1 and/or 9.2 (as applicable) under the Contracts (Rights of Third Parties) Act 1999. This right is subject to: (i) the rights of the parties to rescind or vary this Agreement without the consent of any other person; and (ii) the other terms and conditions of this Agreement.

25.2 Except as set out in Clause 25.1, a person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

## 26. **GOVERNING LAW AND JURISDICTION**

26.1 This Agreement and any non-contractual obligations arising out of or in connection with this Agreement (including its formation) is governed by and shall be construed in accordance with the law of England and Wales.

26.2 Each party irrevocably agrees that the courts of England shall have exclusive jurisdiction to settle any dispute, claim or controversy arising out of or in connection with this Agreement (including a dispute, claim or controversy relating to any non-contractual obligations arising out of or in connection with this Agreement (including its formation)) and the parties accordingly submit to the exclusive jurisdiction of the English courts.

IN WITNESS WHEREOF the parties have executed this agreement on the date first set out above:

**EXECUTED by** )  
**TAPTICA INTERNATIONAL LIMITED:** )

\_\_\_\_\_

Name\_\_\_\_\_

Authorised Signatory

**EXECUTED by** )  
**RHYTHMONE PLC:** )

\_\_\_\_\_

Name\_\_\_\_\_

Authorised Signatory

**SCHEDULE 1  
FORM OF ANNOUNCEMENT**