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*Successor Receiver*

**UNITED STATES DISTRICT COURT**

**NORTHERN DISTRICT OF CALIFORNIA**

**SAN FRANCISCO DIVISION**

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

JOHN V. BIVONA; SADDLE RIVER ADVISORS, LLC; SRA MANAGEMENT ASSOCIATES, LLC; FRANK GREGORY MAZZOLA,

Defendants. and

SRA I LLC; SRA II LLC; SRA III LLC; FELIX INVESTMENTS, LLC; MICHELE J. MAZZOLA; ANNE BIVONA; CLEAR SAILING GROUP IV LLC; CLEAR SAILING GROUP V LLC.

Relief Defendants.

Case No.: 3:16-cv-01386-EMC

**DECLARATION OF KATHY BAZOIAN PHELPS IN SUPPORT OF MOTION BY RECEIVER KATHY BAZOIAN PHELPS FOR ORDER AUTHORIZING: (1) SALE PURSUANT TO 28 U.S.C. § 2004 OF SHARES OF LOOKOUT, INC.; AND (2) MODIFICATION OF THE DISTRIBUTION PLAN**

[No Hearing Set]

I, Kathy Bazoian Phelps, declare:

1. Pursuant to this Court's Revised Order Appointing Receiver, entered February 28, 2019, I was appointed as the successor receiver ("Receiver") in this case. I am also an attorney duly licensed to practice in the State of California and am partner at the firm of Raines Feldman Littrell LLP ("Raines Feldman"). I have personal knowledge of the matters set forth below and if called as a witness, I would and could testify competently to the matters stated herein.

2. This declaration is made in support of the Motion for an Order Authorizing: (1) Sale Pursuant to 28 U.S.C. § 2004 of Shares of Lookout, Inc. ("Lookout"); (2) and Modification of the Distribution Plan (the "Motion").

3. I have consulted with counsel for the Securities and Exchange Commission (the "SEC"), members of the Investor Advisory Committee (the "IAC"), and Equity Acquisition Corporation Ltd. ("EAC"), none of which oppose the Motion.

4. Clear Sailing Group IV, LLC ("CSG IV") is a relief defendant and receivership entity in the above-captioned action and its economic interest in 106,237 shares of Lookout Preferred Stock and 106,237 shares of Lookout Common Stock (the "Lookout Shares") is property of the Receivership Estate.

5. In 2014, prior to the initiation of the receivership in this case, Landon Capital Management LLC ("Landon" or "Investor") entered into a contract (the "Forward Contract") with a counterparty (the "Counterparty") to purchase the beneficial interest in the Lookout Shares. Under the Forward Contract,[1] the Counterparty sold its interest in the Lookout Shares and was to remain the record owner of the Lookout Shares while certain transfer restrictions remained in effect, or upon Landon's request and with Lookout's permission, the Lookout Shares could be transferred to Landon.

6. Also in 2014, CSG IV entered into an agreement with Chasm Capital Group LLC ("Chasm"), the sole member of Landon, to acquire a 100% membership interest in

[1] The Forward Contract is confidential and therefore the Counterparty will not be named in this public filing.

Landon (the "Membership Interest Purchase Agreement"). Accordingly, CSG IV is the owner of Landon and therefore the owner of the Lookout Shares.

7. A true and correct copy of the Membership Interest Purchase Agreement dated July 15, 2014 is attached as Exhibit "1", which has attached to it as Exhibit "A" a redacted true and correct copy of the Forward Contract entered into between Landon and the Counterparty; and attached as Exhibit "B" is a true and correct copy of the Assignment of Membership Interests in Landon between Chasm and CSG IV.

8. In 2016, CSG IV was placed into this receivership, and the Receivership Estate succeeded to CSG IV's interest in the Forward Contract.

9. While holding the Forward Contract for the Lookout Shares was initially consistent with the court-approved Distribution Plan (Dkt. No. 570-1) (the "Plan"), circumstances have changed now that the bulk of the Receivership Estate has been distributed. I am attempting to wind down the receivership, including by considering whether to sell the remaining non-public shares.

10. I have been advised that I am unable to sell the Lookout Shares on the secondary market, and there is presently not a market for the Lookout Shares. I have engaged in discussions over a several year period with the Counterparty about repurchasing the Lookout Shares from the estate. The Counterparty has unfortunately passed away, but his widow desires to repurchase the Shares (the "Purchaser"). I have engaged in an arms-length negotiation with the Purchaser to arrive at an agreed upon purchase price of $0.11 per share for the economic interest in the Lookout Preferred Stock and $0.09 per share for the economic interest in the Lookout Common Stock.

11. The parties have documented their agreement for the repurchase of the Lookout Shares in the Repurchase Agreement, a true and correct copy of which is attached as Exhibit "2" (the "Repurchase Agreement").[2]

12. Under the Settlement Agreement between the Receivership Estate and EAC,

[2] The confidential names and contact information for the Counterparty and the Purchaser have been redacted for this public filing.

dated as of January 6, 2020 and approved by this Court on January 15, 2020, the estate is required to transfer 37,676 shares of Lookout to EAC (the "EAC Shares") as set forth in the Settlement Agreement (the "EAC Settlement") (Dkt. No. 547-2).

13. EAC has agreed to the sale of the EAC Shares in the proposed transaction. To fulfill the estate's obligation under the terms of the EAC Settlement, EAC, through its manager Carsten Klein, has agreed to accept payment for the EAC Shares The amount to be paid to EAC will be $3,767.60. Pursuant to Order entered on October 16, 2024 (Dkt. No. 748), I am required to deliver the shares to EAC and therefore am to pay EAC's portion of the sales proceeds from the sale of both the Lookout Shares and the sale of the shares of Addepar, Inc. by delivering such sales proceeds to EAC.

14. On October 11, 2024, I filed a motion to monetize the Addepar, Inc. ("Addepar") securities and sought authorization to sell them and modify the Plan (the "Motion to Approve Addepar Sale") (Dkt. No. 744). The Court granted the Receiver's Motion to Approve Addepar Sale on October 16, 2024 (Dkt. No. 748). The sale has been consummated, and I have collected the net sales proceeds of $1,916,964.59.

15. The estate continues to hold shares in two pre-IPO companies, including Lookout. I have continued to monitor the possibilities for liquidating the Receivership Estate's position in Lookout in order to efficiently wind down the estate and make a final distribution to claimants.

16. As part of that evaluation, I have explored different liquidation options given the terms in the Forward Contract and given that the restrictions in the Forward Contract have not been removed to date. The Forward Contract requires the Lookout Shares to be transferred only in certain circumstances: either (1) the Lookout Shares are no longer subject to any material transfer restrictions, or (2) upon the request of the Investor with Lookout's permission. I would need to overcome the restrictions imposed on the Shares under the Forward Contract in order to sell the Lookout Shares. In this regard, I made repeated attempts to contact the Counterparty over the last few years in order to effect the disposition of the Lookout Shares. I sent a letter and proposed agreement to the Counterparty on October 11, 2022 to assist with

the transfer of the Lookout Shares to the Receivership Estate. The Forward Contract provides for notice of directed action to, among other things, deliver the stock to the Investor (in whose shoes I now stand) if Lookout provides its permission to effect a transfer and deliver the Shares to the Investor without application of any right of first refusal ("ROFR") to such transfer. In 2022, 2023 and the first part of 2024, I engaged in multiple email and phone communications with the Counterparty regarding either the sale of the estate's economic interest, or a consensual transfer of the Lookout Shares on the Lookout cap table. I was unable to obtain the Counterparty's agreement as to either of those matters.

17. I also communicated directly with Lookout and requested its permission for such a transfer. Lookout did not provided permission for the transfer of the shares and further advised that it would not likely approve a sale to a third party in any event. Based on the responses from both the Counterparty and Lookout, I was forced to take such action in connection with the Lookout Shares in order to administer the stock in the Receivership Estate.

18. I have therefore learned that it is impractical, and perhaps impossible, to sell the estate's economic interest in the Lookout Shares. Lookout has also advised that it does not wish to reacquire the Lookout Shares itself and will not approve a sale on the secondary market. So even if the Counterparty would agree to assign, transfer, and deliver the Lookout Shares to CSG IV, Lookout would not likely approve this transaction. Also, if the Lookout Shares are not reflected as being in the estate's name on Lookout's capitalization table, I am advised that I will not be able to sell them on the secondary market.

19. Therefore, as an alternative to the barriers imposed on a sale to a third party or Lookout's refusal to approve a transfer, I also had a few discussions with the Counterparty regarding other options for the disposition of the Shares. I sent repeated communications to the Counterparty to request the Counterparty's position on the disposition of the Shares. I have been able to negotiate a repurchase agreement with the Counterparty's widow to repurchase the economic interest in the Lookout Shares, which can be done without the involvement of Lookout or the secondary market since no shares will actually be changing hands. I believe the Repurchase Agreement is in the best interest of the Receivership Estate.

20. The Purchaser is an individual who is the executor of the Counterparty's estate. The Forward Contract provided that the rights and obligations of the transaction parties will be binding upon and inure to the benefit of their respective successors, assigns, heirs, executors, administrators, and legal representatives. The Purchaser therefore continues to own the interest in the Lookout Shares but is contractually obligated to deliver them to the Receiver if and when Lookout has a public offering. Accordingly, the Lookout Shares will not actually change hands; rather, the economic interest under the Forward Contract will merely be returned in exchange for the payment of $21,247.40. Therefore, there will be no transaction fees or broker commissions, adding value to the transaction.

21. I believe that there will be positive tax consequences to the sale of the Lookout Shares. Oxis Capital, the valuation experts previously retained by me pursuant to the Order dated March 9, 2020 (Dkt. No. 577), estimated the value of the Lookout Shares as of the date of the commencement of the Receivership to be $10 per share. I was not able to obtain valuation estimates for trades on the secondary market from three brokers. Lookout itself would not offer to purchase the Lookout Shares. Since the sale will be at $0.11 per share for the economic interest in the Lookout Preferred Stock and $0.09 per share for the economic interest in the Lookout Common Stock, I have consulted my tax advisors and am advised that there will be a tax loss of approximately $2.1 million associated with this sale.

22. I am also advised that this tax loss will offset the tax consequences from the sale of the Addepar shares that took place in 2024 as well. My accountants have calculated that the amount of tax liability on the gain on the Addepar sale of $782,266 would be approximately $289,439 in federal taxes and $69,152 in California state taxes. I am advised that the loss from the Lookout sale will eliminate gains on Addepar entirely, with a combined tax savings of $358,591 ("Tax Loss Savings"). As such, I propose to allocate the amount of the Tax Loss Savings for the benefit of the Lookout investors to a separate Lookout reserve account ("Lookout Reserve Account") and seek to modify the Plan to do so. The Tax Loss Savings shall be paid from the reserve account held for the Addepar Inc. investors ("Addepar Reserve Account") to the Lookout Reserve Account in the amount of tax savings derived from

offsetting the loss from the sale of the estate's interest in the Lookout Shares against any tax liability arising from the sale of the Addepar shares. In light of the lack of market for Lookout shares, the price of $0.11 per share for the economic interest in the Lookout Preferred Stock and $0.09 per share for the economic interest in the Lookout Common Stock appears fair, particularly given the tax savings to the estate.

23. I attempted to perform due diligence concerning the market price for the pre-IPO Lookout Shares, including consulting with multiple brokers who transact pre-IPO securities on the secondary market. I conferred with three of the top brokers in the industry regarding pre-IPO sales on the secondary market. All three brokers have advised me that there is no interest on the secondary market for the Lookout Shares. I have also consulted with the Investment Advisory Committee in this case and, unfortunately, the members of the committee were not able to offer any insight into the value of the Lookout Shares.

24. I have engaged in extensive discussions with the Purchaser and believe that the agreed upon price of $0.11 per share for the economic interest in the Lookout Preferred Stock and $0.09 per share for the economic interest in the Lookout Common Stock represents the best price that I will be able to obtain for the Lookout Shares.

25. Based on my due diligence into the potential price of Lookout, the fact that the Purchaser is acting in good faith, and the potential tax savings to the estate, I believe that approval of the contemplated transaction is in the best interest of the estate.

26. The Plan contemplates a contribution of 30% of the gross investment in a security to the Plan Fund, as a precondition for distribution after such security becomes a Successful Investment. For Lookout, if this were a sale of a Successful Investment defined in the Plan, that contribution would be "30% of the gross amounts invested by the Investor Claimants." Dkt. No. 570-1 at 15.

27. As set forth above, I believe that the contemplated transaction is the best way to maximize the value of the estate's holdings in Lookout. But that does not mean that the contemplated transaction turns Lookout into a Successful Investment within the meaning or the equities of the Plan. Nor does that make Lookout a Failed Investment, as the estate will

still realize value from the sale.

28. The investors' investments into Lookout through the Receivership Entities were purchased at a price of $10.00 to $12.00 per share. Of the 36 investors, 8 of them paid $10.00 per share and 28 paid $12.00 per share. Each of those investors also paid an upfront cost to acquire the shares. Given the resulting losses, the Receiver does not believe it is appropriate or necessary to withhold $593,055.90 (30% of their gross investment) for these investors to fund the Plan Fund. The Plan Fund appears sufficient at this time to pay the Class 3 general unsecured creditors in full and each other class of investor claims is holding a reserve for unanticipated tax claims. Therefore, I propose segregating the full amount of the net sales proceeds, along with the Tax Loss Savings to the Lookout Reserve Account.

29. Any further modification of the Plan with respect to the distribution of the sale proceeds, and any other benefits to the estate that may be realized as a result of the contemplated transaction, will be the subject of a separate motion, including any issues relating to any Plan Fund contribution and applicability of deficiency claims.

30. The sale of the Shares as proposed in the Motion will be exempt from the registration requirements of the Securities Act of 1933, as amended, pursuant to Rule 144 of the Securities and Exchange Commission and will be otherwise fully compliant with all applicable laws and regulations under United States federal and applicable state securities laws. I have consulted with my securities counsel who has approved all of the documentation relating to the transaction.

31. I will serve notice of the Motion and the Motion on all investors holding an interest in Lookout and on EAC and Chasm Capital by email and will also post the papers on the receivership website at www.raineslaw.com/saddle-river-receiver.

I declare under penalty of perjury that the foregoing is true and correct. Executed on this 27th day of November 2024 at Los Angeles, California.

*/s/ Kathy Bazoian Phelps*
Kathy Bazoian Phelps
*Successor Receiver*

# EXHIBIT 1

# MEMBERSHIP INTEREST PURCHASE AGREEMENT

By and between

**CLEAR SAILING GROUP IV LLC**

And

**CHASM CAPITAL GROUP LLC,** the Sole Member of

**LANDON CAPITAL MANAGEMENT LLC**

Dated as of July 15, 2014

THIS MEMBERSHIP INTEREST PURCHASE AGREEMENT ("**Agreement**") entered into as of July 15, 2014 (the "**Effective Date**"), is by and between Chasm Capital Group LLC, a Delaware limited liability company ("**Seller**"), and Clear Sailing Group IV LLC, a Delaware limited liability company ("**Purchaser**").

**WHEREAS**, Seller owns 100% of the membership interest (the "**Membership Interest**") of Landon Capital Management LLC, a Delaware limited liability company (the "**Company**");

**WHEREAS**, the Company is a party to an agreement dated even date herewith (the "**EIA**") with a certain stockholder (the "**Stockholder**") of Lookout, Inc., a California corporation ("**Lookout**"), substantially in the form (with the name of the Stockholder and certain purchase price information redacted) attached as **Exhibit A**, which EIA relates to the purchase by the Company from Stockholder of the described economic interest in One Hundred and Six Thousand Two Hundred and Thirty-Seven (106,237) shares of Series A Preferred Stock of Lookout (the "**Lookout Preferred Stock**") and One Hundred and Six Thousand Two Hundred and Thirty-Seven (106,237) shares of Common Stock of Lookout (the "**Lookout Common Stock**" and, together with the Lookout Preferred Stock, the "**Lookout Stock**"); and

**WHEREAS**, the Seller wishes to sell to the Purchaser and the Purchaser wishes to purchase from the Seller, the Membership Interest, all upon the terms and subject to the conditions set forth herein.

**NOW, THEREFORE**, in consideration of the promises and the mutual agreements and covenants hereinafter set forth, and intending to be legally bound, the Seller and the Purchaser hereby agree as follows:

## ARTICLE I

## PURCHASE AND SALE

**Section 1.01. Purchase and Sale of Membership Interest**. Upon the terms and subject to the conditions of this Agreement, at the Final Closing (defined below), the Seller shall sell, assign, transfer, deliver and convey to the Purchaser 100% of Seller's Membership Interest, and the Purchaser shall purchase the Membership Interest. The aggregate purchase price (the "**Purchase Price**") for the Membership Interest is One Million Nine Hundred and Sixty-Five Thousand Three Hundred and Eight-Four Dollars and Fifty Cents ($1,965,384.50).

**Section 1.02. Final Closing; Deliveries.**

(a) On or before the Effective Date, Purchaser shall wire transfer $200,000 of the Purchase Price (the "**Initial Payment**") to a bank account designated by Seller.

(b) The purchase and sale of the Membership Interest shall take place remotely via the exchange of required deliveries on August 15, 2014 (the "**Final Closing Date**"), or at such earlier time and place as the Seller and the Purchaser mutually agree upon in writing (which time and place are designated as the "**Final Closing**").

(c) At the Final Closing:

(1) Purchaser shall deliver to Seller by wire transfer to a bank account designated by Seller the remainder of the Purchase Price (the "**Remaining Purchase Price**"), which is One Million Seven Hundred and Sixty-Five Thousand Three Hundred and Eight-Four Dollars and Fifty Cents ($1,765,384.50); and

(2) Seller shall deliver to Purchaser: (i) the Assignment of Membership Interests, in the form attached hereto as **Exhibit B**, dated as of the Final Closing Date and duly executed by Seller and assigning the Membership Interest to Purchaser; and (ii) a good standing certificate of the Company from the Delaware Secretary of State dated within twenty days prior to the Final Closing Date.

(d) If Purchaser shall fail or refuse to wire transfer the Remaining Purchase Price on or before the Final Closing Date (a "**Payment Default**"), then the parties agree that: (1) Seller may terminate this Agreement by delivering a written termination notice to Purchaser and Seller will keep the Initial Payment; (2) that upon such termination the Seller will not have any duty or obligation to sell or transfer the Membership Interest and shall retain ownership of the Membership Interest; and (3) that following such termination this Agreement shall be considered void and of no further force or effect. Notwithstanding the foregoing or anything to the contrary, the provisions of Section 1.02(d), Section 6.10 and Section 6.14 of this Agreement shall survive any such termination. In the event of a Payment Default, and termination of this Agreement by the Seller, the Parties acknowledge that the actual damages likely to result from a Payment Default are difficult to estimate on the date of this Agreement, and intend that Seller's retention of the Initial Payment will serve to compensate Seller for the Payment Default and is not intended to serve as a punishment for such Payment Default.

## ARTICLE II

## SELLER'S REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to Purchaser, as of the date of this Agreement and as of the Final Closing Date, that:

**Section 2.01. Ownership.** Seller is the owner of, and controls, all of the Membership Interest, which Membership Interest constitutes all of the issued and outstanding limited liability company interests in the Company, and other than the Membership Interest there are no outstanding equity interests in the Company. All of the Membership Interest is duly authorized, validly issued, and fully paid. All of the Membership Interest is owned of record and beneficially by Seller. None of the Membership Interest was issued or transferred, or will be transferred under this Agreement, in violation of the Limited Liability Company Act of the State of Delaware, the Operating Agreement of the Company (the "**Operating Agreement**") or any preemptive or preferential rights of any person. There are no outstanding warrants, options or similar rights to purchase or acquire, or securities convertible into the right to acquire, any limited liability company interest (or other equity interest including, without limitation any "carried interest") in the Company. The Company has no subsidiaries and does not own any equity securities of any other entity, except as provided in the EIA.

**Section 2.02. No Liens on Membership Interest.** Seller owns the Membership Interest free and clear of any liens, pledges, restrictions, security interests, claims, rights of another, or encumbrances, and none of the Membership Interest is subject to any outstanding option, warrant, call, or similar right of any other person or entity to acquire the same. None of the Membership Interest is subject to any restriction on transfer thereof except for restrictions imposed by applicable federal and state securities laws. Seller has full power and authority to convey good and marketable title to the Membership Interest, free and clear of any mortgages, liens, restrictions, security interests, claims, rights of another or encumbrances. Upon the transfer and conveyance by Seller to Purchaser of the Membership Interest at the Final Closing, Purchaser shall become the owner of 100% of the issued and outstanding equity interests of the Company.

**Section 2.03. Due Authorization.** The execution, delivery and performance of this Agreement, and the consummation of the transactions contemplated hereby, has been duly authorized by all necessary action of Seller, and this Agreement has been duly and validly executed and delivered by Seller and constitutes the valid and binding obligation of Seller, enforceable against Seller in accordance with its terms. Seller has full power and authority to perform this Agreement and the transactions contemplated hereby. The execution, delivery, and performance of this Agreement (as well as all other instruments, agreements, certificates, or other documents contemplated hereby), and the consummation of the transactions contemplated hereby, by Seller shall not (a) violate any law, rule, or regulation or any decree or judgment of any court or governmental authority applicable to Seller or its property, (b) violate or conflict with, or permit the cancellation of, or constitute a default under any agreement to which Seller is a party or by which it or its property, or the property of the Company, is bound, (c) permit the acceleration of the maturity of any indebtedness of, or any indebtedness secured by the property of, Seller or the Company, or (d) violate or conflict with any provision of the Operating Agreement, the Company's articles of organization or any other organizational or governing document of the Company.

**Section 2.04. No Liabilities.** The Company has no liabilities or outstanding indebtedness other than the obligation to pay the purchase price and otherwise perform the terms of the EIA (the "**Existing Liabilities**"), and on the Final Closing Date the Company shall have paid (or shall retain sufficient funds to pay) the purchase price under the EIA in full.

**Section 2.05. Compliance with Legal Requirements.** The Company is a limited liability company duly organized, validity existing and in good standing under the laws of the State of Delaware. Seller has provided true and complete copies of the Company's certificate of organization and all amendments thereto and the Company's Operating Agreement, each as in effect on the date hereof and neither of which have been further amended of modified except as expressly disclosed in writing to Purchaser.

**Section 2.06. Employees, Registered Representatives.** The Company has no employees, nor does it have or has it ever had any sort of employee benefit plan or similar arrangement, whether or not subject to the Employee Income Retirement Security Act of 1974.

**Section 2.07. Consents.** There are no consents, approvals, notices, orders, registrations, declarations or filings required to be obtained, made or given by or with respect to Seller or the

Company in connection with the execution, delivery, and performance of this Agreement, and the consummation of the sale of the Membership Interest contemplated hereby other than any notice or similar filings as may be required by Seller under applicable securities laws and regulations and that will be made following the Final Closing.

**Section 2.08. EIA.** The EIA (and its exhibits) is the only agreement to which the Company is a party and a true and correct copy of all material terms of the EIA and its exhibits has been made available to the Purchaser; provided that the name of the Stockholder and the purchase price payable to Stockholder under the EIA (the "**EIA Price**") are redacted and such information is to be provided to Purchaser following the date of this Agreement. The Company has performed in all material respects all material obligations required to be performed by it prior to the Final Closing Date under the EIA, provided that the EIA Price will be paid (or the Company shall have sufficient funds to pay any remaining EIA Price) on the Final Closing Date, and the Company is not in default under or in material breach of nor in receipt of any claim of default or material breach under the EIA and, to the knowledge of the Seller, no event has occurred which with the passage of time or the giving of notice or both would result in a default or breach by the Company of the EIA and, to the knowledge of the Seller, there has been no breach or cancellation by the Stockholder of the EIA.

## ARTICLE III
## REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser hereby represents and warrants to the Seller as follows:

**Section 3.01. Organization and Authority of the Purchaser.** The Purchaser is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware. The execution, delivery and performance of this Agreement, and the consummation of the transactions contemplated hereby, has been duly authorized by all necessary action of Purchaser, and this Agreement has been duly and validly executed and delivered by Purchaser and constitutes the valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms. Purchaser has full power and authority to perform this Agreement and the transactions contemplated hereby. The execution, delivery, and performance of this Agreement (as well as all other instruments, agreements, certificates, or other documents contemplated hereby), and the consummation of the transactions contemplated hereby, by Purchaser shall not a) violate any law, rule, or regulation or any decree or judgment of any court or governmental authority applicable to Purchaser or its property, b) violate or conflict with, or permit the cancellation of, or constitute a default under any agreement to which Purchaser is a party or by which it or its property is bound, c) permit the acceleration of the maturity of any indebtedness of, or any indebtedness secured by the property of, Purchaser, or d) violate or conflict with any provision of the Purchaser 's articles of organization or any other organizational or governing document of the Purchaser.

**Section 3.02. Consents.** There are no consents, approvals, notices, orders, registrations, declarations or filings required to be obtained, made or given by or with respect to Purchaser in connection with the execution, delivery, and performance of this Agreement, and the consummation of the purchase of the Membership Interest contemplated hereby.

**Section 3.03. Accredited Investor Status**. Purchaser is an "accredited investor" as defined by Rule 501 of Regulation D under the Securities Act of 1933, as amended (the "**Securities Act**"). Purchaser acknowledges that it has such knowledge and experience in financial and business matters that Purchaser is capable of evaluating the merits and risks of (i) the terms of the EIA, (ii) an investment in the Membership Interest and (iii) making an informed investment decision with respect to purchasing the Membership Interest. Purchaser acknowledges that it can bear the economic risk of the investment in the Membership Interest.

**Section 3.04. Investment Purpose**. Purchaser is acquiring the Membership Interest solely for investment purposes and not with a view to distribution or resale, nor with the intention of selling, transferring or otherwise disposing of all or any part thereof for any particular price, or at any particular time, or upon the happening of any particular event or circumstance, except selling, transferring, or disposing of the Membership Interest in full compliance with all applicable provisions of the Securities Act, the rules and regulations promulgated thereunder, and applicable state securities laws. Purchaser understands and acknowledges that an investment in the Membership Interest is not a liquid investment and might never become a liquid investment, and the that performance of the EIA is subject to the terms of the Transfer Restrictions and Existing Agreements (as defined in the EIA).

**Section 3.05. Funds.** Purchaser has sufficient funds readily available to satisfy all of its obligations under this Agreement at the Final Closing.

## ARTICLE IV
## CONDITIONS TO FINAL CLOSING

**Section 4.01. Conditions to Obligations of the Seller**. The obligations of the Seller to consummate the transactions contemplated by this Agreement shall be subject the fulfillment or written waiver, at or prior to the Final Closing, to the following conditions:

(a) the representations and warranties of the Purchaser contained in this Agreement shall be true and correct and the covenants and agreements of the Purchaser shall have been complied with.

**Section 4.02. Conditions to Obligations of the Purchaser**. The obligations of the Purchaser to consummate the transactions contemplated by this Agreement to occur at the Final Closing shall be subject to the fulfillment or written waiver, at or prior to the Final Closing, of each of the following conditions:

(a) the representations and warranties of the Seller contained in this Agreement shall be true and correct and the covenants and agreements of the Seller shall have been complied with.

## ARTICLE V
## INDEMNIFICATION

**Section 5.01. Indemnification by the Purchaser**. Purchaser agrees to indemnify the Seller and its affiliates, members, officers, managers, employees, agents, representatives, attorneys, successors and permitted assigns (collectively, the "**Seller Indemnified Parties**") and

save and hold each of them harmless against and pay on behalf of or reimburse such Seller Indemnified Parties as and when incurred for any Losses (defined below) which any Seller Indemnified Party incurs as a result of: (i) any breach of any covenant, representation or warranty of Purchaser under this Agreement; or (ii) any claim by any third party relating to the performance of any covenant, term or agreement included in the EIA to the extent such covenant or agreement is to be performed after the Final Closing Date. As used herein, "**Losses**" shall mean any loss, liability, penalty, fine, cause of action, cost (including the cost of investigation or defense of any legal or regulatory action), damage, tax, or expense whether or not arising out of a third party action, lawsuit, proceeding, investigation or other claim (including interest, penalties, reasonable attorneys', consultants' and experts' fees and expenses).

**Section 5.02. Indemnification by Seller**. Seller agrees to indemnify the Purchaser and its affiliates, members, officers, managers, employees, agents, representatives, attorneys, successors and permitted assigns (collectively, the "**Purchaser Indemnified Parties**") and save and hold each of them harmless against and pay on behalf of or reimburse such Purchaser Indemnified Parties as and when incurred for any Losses which any Purchaser Indemnified Party incurs as a result of: (i) any breach of any covenant, representation or warranty of Seller under this Agreement; or (ii) any claim by any third party relating to the performance of any covenant, term or agreement included in the EIA to the extent such covenant or agreement is to be performed prior to the Final Closing Date.

## ARTICLE VI
## GENERAL PROVISIONS

**Section 6.01. Expenses**. Except as otherwise specified in this Agreement, all costs and expenses, shall be borne by the party incurring such costs and expenses, whether or not the Final Closing shall have occurred.

**Section 6.02. Notices.** All notices hereunder shall be in writing and shall be given or made by an internationally recognized overnight courier service or registered or certified mail (postage prepaid, return receipt requested) to the respective parties hereto at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 6.02):if to the Seller:

**Chasm Capital Group LLC**
375 Park Avenue, Suite 2607
New York, NY 10152
Attention: Akshay Rustagi

(b) if to the Purchaser:

Clear Sailing Group IV LLC
600 E. CRESCENT AVE
UPPER SADDLE RIVER, NJ 07458
Attention: djurist@clearsailinggroup.com

**Section 6.03. Public Announcements**. No party to this Agreement shall make, or cause to be made, any press release or public announcement in respect of this Agreement.

**Section 6.04. Severability**. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any law or public policy, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible.

**Section 6.05. Entire Agreement**. This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and undertakings, both written and oral, between the Seller and the Purchaser with respect to the subject matter hereof.

**Section 6.06. Assignment**. This Agreement may not be assigned by operation of law or otherwise without the express written consent of the Seller and the Purchaser (which consent may be granted or withheld in the sole discretion of the Seller or the Purchaser), as the case may be.

**Section 6.07. Amendment**. This Agreement may not be amended or modified except by an instrument in writing signed by, or on behalf of, the Seller and the Purchaser.

**Section 6.08. No Third Party Beneficiaries**. This Agreement shall be binding upon and inure solely to the benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person any legal or equitable right, benefit or remedy of any nature whatsoever, including any rights of employment for any specified period, under or by reason of this Agreement.

**Section 6.09. Counterparts**. This Agreement may be executed and delivered (including by facsimile or portable document format transmission) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement.

**Section 6.10. Confidentiality**. The parties agree that the terms and conditions of this Agreement are confidential.

**Section 6.11. Governing Law; Venue**. This Agreement, and the transaction contemplated hereby between the parties, shall be governed by, construed and enforced in accordance with the laws of the State of Delaware without regard to principles of conflicts of law and venue shall lie exclusively in the state and federal courts located in New York, New York.

**Section 6.12. Survival of Warranties**. Unless otherwise set forth in this Agreement, the representations and warranties of the Seller and the Purchaser contained in or made pursuant to this Agreement shall survive the execution and delivery of this Agreement and the Final 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 Purchaser or the Seller.

**Section 6.13. 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.

**Section 6.14. Dispute Resolution**. Any unresolved controversy or claim arising out of or relating to this Agreement, except as otherwise provided in this Agreement shall be submitted to arbitration by one arbitrator mutually agreed upon by the parties, and if no agreement can be reached within thirty (30) days after names of potential arbitrators have been proposed by the American Arbitration Association (the "**AAA**"), then by one arbitrator having reasonable experience in corporate finance transactions of the type provided for in this Agreement and who is chosen by the AAA. The arbitration shall take place in New York, New York, in accordance with the AAA rules then in effect, and judgment upon any award rendered in such arbitration will be binding and may be entered in any court having jurisdiction thereof. There shall be limited discovery prior to the arbitration hearing as follows: (a) exchange of witness lists and copies of documentary evidence and documents relating to or arising out of the issues to be arbitrated, (b) depositions of all party witnesses and (c) such other depositions as may be allowed by the arbitrators upon a showing of good cause. Depositions shall be conducted in accordance with the Delaware Code of Civil Procedure, the arbitrator shall be required to provide in writing to the parties the basis for the award or order of such arbitrator, and a court reporter shall record all hearings, with such record constituting the official transcript of such proceedings. The prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.

**[Remainder of this page intentionally left blank]**

IN WITNESS WHEREOF, each of the Seller and the Purchaser has caused this Agreement to be executed as of the date first written above.

**PURCHASER:**

**CLEAR SAILING GROUP IV LLC**

By: _____
Name: DAVID JURIST
Title: MANAGER

**SELLER:**

**CHASM CAPITAL GROUP LLC**

By: _____
Name:
Title:

**[Signature Page to Membership Interest Purchase Agreement]**

# EXHIBIT A

# ECONOMIC INTEREST AGREEMENT (REDACTED)

**CONFIDENTIAL**

# AGREEMENT

This Agreement (this "**Agreement**") is made and entered into as of July 15, 2014 (the "**Effective Date**") by and between Landon Capital Management LLC, a Delaware limited liability company ("***INVESTOR***") and [redacted] ("**Stockholder**"). INVESTOR and Stockholder are together referred to herein as, the "**Parties**".

**A.** Stockholder is the sole beneficial and record holder of One Hundred Thirty-eight Thousand Five Hundred and Ninety-three (138,593) shares (the "**Lookout Preferred Stock**") of Series A Preferred Stock of Lookout, Inc., a California corporation (the "**Company**") represented by share certificate Number 44 (the "**Certificate**"). The Lookout Preferred Stock was acquired by Stockholder pursuant to that certain Series A Preferred Stock Purchase Agreement, dated July 30, 2008 (together with all of its exhibits, the "**Series A Purchase Agreement**"), by and among the Company (doing business as Flexilis, Inc.), Stockholder and other investors named therein, and the Certificate and related shares of Lookout Preferred Stock are currently held by Stockholder.

**B.** Stockholder also holds vested options (collectively, the "**Options**") (to acquire in the aggregate One Hundred Six Thousand Two Hundred and Thirty-seven (106,237) shares of Common Stock of the Company (the "**Lookout Common Stock**" and, together with the Lookout Preferred Stock, the "**Lookout Stock**"), which Options are described in three separate Lookout, Inc. Stock Option Agreements issued to Stockholder as of the following dates of grant: (i) January 30, 2009, for 39,785 shares of Common Stock, (ii) December 8, 2011, for 60,000 shares of Common Stock of which 42,500 shares have been vested and are available to be exercised and (iii) March 29, 2012 for 23,952 shares of Common Stock (together with their respective exhibits, the "**Option Agreements**"), which Option Agreements are subject to the Lookout, Inc. 2007 Stock Option Plan and any and all amendments thereto through the Effective Date (the "**Plan**"). The Lookout Common Stock will be acquired by Stockholder promptly pursuant to the exercise of the Options by Stockholder's delivery of the three executed Exercise Notice Agreements (together with its exhibits, the "**Option Exercise Agreements**"), signed copies of which are attached hereto as **Exhibits A-1, A-2 and A-3**.

**C.** INVESTOR acknowledges and agrees that it has received from Stockholder, and has had adequate time to review copies of the following agreements and documents and all amendments through the Effective Date: (i) the Series A Purchase Agreement and exhibits, and the Series A Preferred Stock Purchase Agreement dated March 11, 2009, by and among the Company, Trilogy Equity Partners, LLC and the other investors named therein (the "**2009 Agreement**"), including, but not limited to, the Schedule of Exceptions to the 2009 Agreement, (ii) the Certificate and related legends, (iii) the Option Exercise Agreements, (iv) the Option Agreements, (v) the Plan, (vi) the Bylaws of Lookout (the "**Bylaws**"), (vii) the Amended and Restated Voting Agreement dated March 11, 2009 by and among the Company, Stockholder and certain other stockholders, (viii) the Amended and Restated Investors' Rights Agreement dated March 11, 2009 by and among the Company, Stockholder and certain other stockholders, (ix) the Amended and Restated Right of First Refusal and Co-Sale Agreement dated March 11, 2009 by and among the Company, Stockholder and certain other stockholders, and (x) the Second Amended and Restated Articles of Incorporation of Lookout (the "**Charter**" and, together with the other documents and agreements listed in this paragraph C, the "**Existing Agreements**").

**D.** The Parties acknowledge and agree that they are aware of the: (i) the terms of the rights of first refusal included in the Existing Agreements (the "**ROFR**"), (ii) the market standoff restrictions included in the Existing Agreements (the "**Market Standoff**"), (iii) all additional restrictions and limits provided in the Existing Agreements, or by applicable federal or state securities laws and regulations, relating to the sale, transfer, assignment, pledge, encumbrance, hypothecation or other disposal of the Shares (as defined below) or rights therein by Stockholder or any permitted transferee (together with the ROFR and the Market Standoff, the "**Transfer Restrictions**"), and (iv) all other restrictions, agreements

and obligations imposed on Stockholder or the Lookout Stock by or pursuant to the terms of the Existing Agreements, as amended, and/or applicable laws and regulations on Stockholder, the Company and/or the Lookout Stock (collectively, (i) through (iv) being the "**Restrictions**"). Nothing in this Agreement is intended by the Parties to cause a violation of the Restrictions.

E. The Parties desire to enter into an arrangement whereby: (i) on the Initial Closing Date, the Stockholder will take all steps required to exercise the Options and (ii) at the Final Closing Date (as defined below), in exchange for delivery of the Purchase Price (as defined below) by INVESTOR to Stockholder, Stockholder will (1) assign and transfer to the INVESTOR 100% of Stockholder's economic interest (the "**Economic Interest**") in the Shares (as defined below), and (2) upon the lapse or removal of all material Restrictions applicable to such Shares, to take such commercially reasonable steps as are requested in writing by INVESTOR to either: (x) transfer and deliver the Shares to INVESTOR, or (y) sell the Shares in a manner directed by the INVESTOR and deliver the proceeds of such sale less any expenses, costs and commissions incurred in connection with executing such sale (the net amount being the "**Sale Amount**") to the INVESTOR.

Now, therefore, the Parties hereby agree as follows:

## 1. EXERCISE OF OPTIONS; TRANSFER OF ECONOMIC INTEREST

**a. Exercise of Options**. Stockholder agrees that, on the Initial Closing Date (defined below), Stockholder shall take all actions reasonably necessary to exercise the Options and acquire the Shares of Lookout Common Stock to be issued in Stockholder's name, which actions shall include without limitation the Stockholder delivery to the Company of: (i) the original signed Option Exercise Agreements and (ii) full payment by check or wire transfer of the exercise price for the Shares of Lookout Common Stock issuable pursuant to the Options. At the earliest date possible after the Effective Date, Stockholder shall deliver to INVESTOR any communications to or from the Company relating to the Options or the Shares, and shall deliver evidence of the issuance of a certificate for the Shares of Lookout Common Stock issued upon such exercise in Stockholder's name.

**b. Transfer of Economic Interest**. Subject to the terms and conditions of this Agreement, in exchange for INVESTOR's delivery to Stockholder of the Purchase Price (defined below) on or before the Final Closing Date (defined below), Stockholder hereby assigns and transfers to INVESTOR 100% of the Economic Interest in and to the Shares, including but not limited to: (i) the Shares of Lookout Preferred Stock and the Shares of Lookout Common Stock purchased by Stockholder upon exercise of the Options, (ii) all payments, dividends, distributions or other economic interests of any kind whatsoever received by Stockholder in relation to the Shares, and (ii) all of Stockholder's rights to receive the Sale Amount upon any distribution or sale of the Shares (collectively, the "**Proceeds**"). As used in this Agreement, "**Shares**" shall include (1) the One Hundred and Six Thousand, Two Hundred And Thirty-Seven (106,237) shares of Lookout Preferred Stock and the One Hundred and Six Thousand, Two Hundred And Thirty-Seven (106,237) shares of Lookout Common Stock issued upon exercise of the Options (but shall not include any rights or interest in the other shares of Lookout Stock or any other shares of common stock or equity securities owned or held by Stockholder) and (2) any securities received prior to consummation of the sale of the Shares: (w) in replacement of such Shares, (x) as a result of stock dividends or stock splits in respect of such Shares or (y) as substitution for such Shares in a recapitalization, merger, reorganization, Liquidation Event (as defined in the Charter) or similar transaction. Stockholder and INVESTOR hereby each acknowledge that the Purchase Price has been negotiated between them based on a variety of facts and circumstances, including facts and circumstances that may be unique to Stockholder and INVESTOR, and, accordingly, the Purchase Price may not accurately reflect the fair market value of the Shares. Neither Stockholder nor INVESTOR is making any representation as to the fair market value of the Shares.

c. **Purchase Price.** The price for the Shares shall be $6.72 per Share for the Lookout Preferred Stock and $6.33 per Share for the Lookout Common Stock, which is an aggregate sum of $1,386,392 (the "**Purchase Price**"). The Purchase Price shall be payable by INVESTOR to Stockholder as follows: (i) $75,670.30 ("**Initial Payment**") shall be wire transferred upon the Initial Closing Date to a bank account designated by Stockholder; (ii) $10,000 shall be retained by INVESTOR to offset counsel fees of INVESTOR; and (iii) $1,300,722.55 (the "**Final Payment**") shall be wire transferred upon the Final Closing Date to a bank account designated by Stockholder. The aggregate Purchase Price shall represent payment in full, and for clarity no additional payment or consideration is necessary or required by INVESTOR to acquire the rights set forth hereunder. Each of the parties expressly acknowledges and agrees that their duties and obligations under this Agreement are binding and irrevocable.

d. **Directed Actions.** After the date (the "**Release Date**") that the Shares or any of them are either (1) no longer subject to any material Transfer Restrictions or (2) upon request of INVESTOR, the Company provides its permission to effect a transfer and delivery of the Shares or any of them to INVESTOR without application of any ROFR to such transfer (the Shares so released or available for release or transfer being the "**Released Shares**"), Stockholder will take such actions as INVESTOR directs in writing (a "**Notice**"), which directed actions must be commercially reasonable and permitted pursuant to applicable laws and all applicable Restrictions (the "**Directed Actions**"), to either (i) sell the Released Shares in the open market or in such other manner and at the time(s) so directed by the INVESTOR and deliver the Sale Amount to INVESTOR or (ii) transfer and deliver to INVESTOR (or its permitted assignee(s) or designee(s)) all of Stockholder's rights, title and interest in and to the Released Shares, free and clear of any liens or encumbrances (other than any applicable Restrictions or any encumbrances imposed by applicable federal or state securities laws).

e. **Default.**

i. In the event that Stockholder fails or refuses to perform any such material Directed Action within five (5) business days after the date for performance designated in the Notice, INVESTOR will notify Stockholder in writing that he is in breach and provide a reasonable description of the breach and a reasonable period (not to exceed ten (10) business days) to cure such breach and, if such breach is not so cured, Stockholder shall be in default of this Agreement and the date of such default shall be deemed to be the day after the end of such cure period (a "**Default**"). At any time following such Default, INVESTOR may elect to terminate this Agreement by delivery of a written termination notice to Stockholder (a "**Default Termination**") and, upon such Default Termination Stockholder shall promptly deliver to INVESTOR an amount equal to the greater of: (1) Two Million Dollars ($2,000,000) or (2) the sum of (x) Two Hundred Thousand Dollars ($200,000) plus (y) the amount equal to the closing price of the Shares as reported on the date of the Default (or the next business day if the date of Default is not a business day) on the national securities exchange where such Shares are listed or quoted (the amount owed upon Default being the "**Default Amount**"). In addition, upon a Default Termination, Stockholder covenants and agrees to pay INVESTOR all INVESTOR'S expenses, costs and fees, including any fees paid by INVESTOR or its affiliates to any placement agent in connection with the transactions contemplated by this Agreement and reasonable attorneys' fees arising, directly or indirectly, from a Default ("**Fees**" and, together with the Default Amount, the "**Obligations**").

ii. In the event of a Default Termination, the Parties acknowledge that the actual damages likely to result from a Default are difficult to estimate on the date of this Agreement, and intend that Stockholder's payment of the Obligations will serve to compensate INVESTOR for the Default and are not intended to serve as a punishment for such Default. Accordingly, in the event of a Default Termination, the Obligations shall be

obligations Stockholder owes to the INVESTOR and hereby grants INVESTOR a security interest in the Shares, effective as of the date of Default, to secure the payment of the Obligations following such Default. In the event of a Default, Stockholder hereby unconditionally and irrevocably guarantees to INVESTOR the full and prompt payment and performance when due, of all of the Obligations.

2. **CLOSINGS.**

a. **Closing Dates**. The closings shall occur as follows (collectively, the "**Closings**"): (i) the initial closing shall occur within three (3) business days after the Effective Date of this Agreement (the "**Initial Closing Date**") and (ii) the final closing shall occur on September 1, 2014, or on such earlier date as the INVESTOR shall wire transfer the Final Payment to Seller and all other conditions to the Closings set forth in **Section 3** have been waived or satisfied (the "**Final Closing Date**").

b. **Deliveries at Closings.** At the Initial Closing Date, INVESTOR shall wire transfer the Initial Payment to an account designated in writing by Stockholder and Stockholder shall deliver to INVESTOR evidence reasonably satisfactory to INVESTOR that such funds have been delivered to the Company together with the Option Exercise Agreements and any other information required by the Company to exercise the Options. At the Final Closing Date: (i) Stockholder shall deliver to INVESTOR a copy of the certificate representing the Shares of Lookout Common Stock issued by the Company in Stockholder's name upon exercise of the Options; (ii) Stockholder (and his spouse if any) shall execute and deliver to INVESTOR two copies of the Stock Power and Assignment Separate from Stock Certificate ("**Stock Power**") in the form attached hereto as **Exhibit B** without the name of INVESTOR, date or number of Shares filled in (which shall be held by INVESTOR subject to the terms and conditions of this Agreement); (iii) Stockholder (and his spouse if any) shall execute and deliver to INVESTOR the Special Power of Attorney (the "**Special Power of Attorney**") in the form attached hereto as **Exhibit C** (which shall be held by INVESTOR subject to the terms and conditions of this Agreement); and (iv) INVESTOR shall wire transfer the Final Payment to an account designated in writing by Stockholder.

c. **Investor Default**.

i. In the event that Stockholder has made all of his required deliveries on the Final Closing Date and INVESTOR fails or refuses to wire transfer the Final Payment to an account designated in writing by Stockholder within five (5) business days after the Final Closing Date, Stockholder will notify INVESTOR in writing that it is in breach and provide a reasonable description of the breach and a reasonable period (not to exceed ten (10) business days) to cure such breach and, if such breach is not so cured, INVESTOR shall be in default of this Agreement and the date of such default shall be deemed to be the day after the end of such cure period (a "**INVESTOR Default**"), and INVESTOR or Chasm Capital Fund Management, LLC ("**Chasm**") shall promptly deliver to INVESTOR an amount equal to One Hundred Thousand Dollars ($100,000) (the amount owed upon INVESTOR Default being the "**INVESTOR Default Amount**"). Chasm hereby guarantees the payment of the INVESTOR Default Amount and will be responsible for reasonable attorneys' fees or similar expenses incurred by Stockholder as a result of any nonpayment of the INVESTOR Default Amount and acknowledges and agrees that Stockholder may seek collection of the INVESTOR Default Amount directly and solely from Chasm in the event of any default by INVESTOR under this Section 2(c)(i).

ii. In the event of an INVESTOR Default, the Parties acknowledge that the actual damages likely to result from an INVESTOR Default are difficult to estimate on the date of this Agreement, and intend that INVESTOR's payment of the INVESTOR Default Amount will serve to compensate Stockholder for the INVESTOR Default and are not

intended to serve as a punishment for such INVESTOR Default. In the event of an INVESTOR Default, INVESTOR hereby unconditionally and irrevocably guarantees to Stockholder the full and prompt payment and performance when due, of all of the INVESTOR Default Amount.

iii. In addition, in the event of an INVESTOR Default, this Agreement shall terminate and each of Stockholder and INVESTOR acknowledges and agrees that Stockholder shall have no duty or obligation to transfer any Shares or any economic interest in any Shares to INVESTOR, INVESTOR shall have no duty or obligation to pay the Purchase Price or any amounts except the INVESTOR Default Amount and this Agreement shall be considered void and of no further force and effect. Notwithstanding the foregoing or anything to the contrary, this Section 2(c) and Sections 9 and 10.n. shall survive any such termination.

3. **CONDITIONS TO CLOSING.** INVESTOR's obligations at the Final Closing Date are subject to the fulfillment, on or before the Final Closing Date, of each of the following conditions, unless otherwise waived by the INVESTOR:

a. **Representations and Warranties.** The representations and warranties of Stockholder contained in **Section 6** shall be true and correct in all respects as of the Final Closing Date.

b. **Performance.** The Stockholder shall have performed and complied in all material respects with all covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by him on or before such Final Closing Date.

c. **Delivery of Proof of Exercise.** Stockholder shall have exercised the Options and delivered to INVESTOR evidence in form and content reasonably acceptable to INVESTOR that original share certificates evidencing the Shares of Lookout Common Stock have been delivered to INVESTOR or will be delivered to INVESTOR by the Company.

4. **COVENANTS OF STOCKHOLDER.**

a. **Maintenance of Ownership.** At all times prior to the full and indefeasible satisfaction by Stockholder of all of Stockholder's obligations under this Agreement, Stockholder shall not approve of any amendments to the Existing Agreements unless directed to do so in writing by the INVESTOR and shall take such actions necessary to ensure that Stockholder continues to own the Shares free and clear of all liens and encumbrances. Stockholder shall not sell, transfer, assign, pledge, hypothecate or otherwise alienate any of the Shares before the full and indefeasible satisfaction by Stockholder of all of Stockholder's obligations under this Agreement and shall in addition shall not sell (beneficially or of record), transfer, option, grant a lien upon, assign, pledge, hypothecate or otherwise alienate any of the Shares (or any rights or interest in the Shares of any kind) except as directed in writing by INVESTOR. Nothing in this Agreement shall prohibit or restrict Stockholder from selling, disposing of, transferring or assigning beneficially or of record, or granting or creating any lien, claim or encumbrance on, any Lookout Stock or other equity securities other than the Shares.

b. **Taxes, Assessments and Other Charges.** Not later than April 15, 2015, Stockholder shall provide evidence to INVESTOR (and such related information as INVESTOR may reasonably request) of his payment in full of all federal and state taxes related to or arising from his exercise of the Options, purchase of the Shares of Lookout Common Stock and performance of his obligations under this Agreement. Stockholder shall duly and promptly pay and discharge, as the same become due and payable (including any allowable extension periods), all taxes, assessments, and governmental and other

charges, levies or claims levied or imposed, or which if unpaid might become a lien or charge, upon the properties, assets, or earnings of Stockholder, except such as are being diligently contested in good faith. Stockholder acknowledges and agrees that Stockholder shall be responsible for payment of all federal, state and local taxes arising from Stockholder's exercise of the Options as contemplated under this Agreement.

c. **Payment of Obligations; Laws.** Stockholder shall pay all of Stockholder's material liabilities and obligations when due and prior to the date on which penalties attach thereto and will keep all existing material debts current. Stockholder shall comply with all applicable statutes and regulations affecting the ownership of the Shares. Stockholder acknowledges and agrees to be solely responsible for and, if reasonably requested by INVESTOR, will promptly pay when due any share transfer processing fee or similar fee imposed by the Company on the sale and transfer of the Shares. Stockholder also acknowledges and agrees to be solely responsible for and, if reasonably requested by INVESTOR, will promptly obtain any legal opinion reasonably required by the Company to effect transfer of the Shares on the stockholder records.

d. **Notice of Certain Events.** Stockholder shall give prompt written notice to INVESTOR of all events of default under any of the terms or provisions of this Agreement or any material Claims (defined below) or other litigation, and any other matter which has resulted in, or might reasonably be expected to result in, a material adverse change in Stockholder's financial condition or affect Stockholder's ability to perform his obligations under the this Agreement or the Existing Agreements.

e. **Distributions**. In the event the Company makes any distribution to its stockholders prior to the time the ownership of the Shares is duly transferred and assigned to INVESTOR on the books and records of the Company, upon receipt of any such distribution and subject to compliance with any Restrictions, Stockholder shall deliver to INVESTOR such distribution(s) received by Stockholder promptly after the Final Closing Date and payment of the Purchase Price to Stockholder. Subject to the payment of the Purchase Price to Stockholder, Stockholder covenants and agrees that if (i) the Company or its assignee exercises the ROFR with respect to any of the Shares, (ii) the Company exercises any right to purchase the Shares upon an involuntary transfer as provided in any agreements to which Stockholder is a party or if any drag-along or similar rights are exercised with respect to any of the Shares, all proceeds from such ROFR or co-sale will belong to INVESTOR, and Stockholder will direct the Company, its assignee or any other third party exercising any such rights, to pay such proceeds directly to INVESTOR. Notwithstanding the foregoing requirement, if such proceeds are instead received by Stockholder, those proceeds will be held in trust for the sole and exclusive benefit of INVESTOR (or INVESTOR's successor or assign, if applicable), and all of such proceeds will be paid in full to INVESTOR (or INVESTOR's successor or assign, if applicable) as soon as possible after receipt by Stockholder.

5. **REPRESENTATIONS AND WARRANTIES OF INVESTOR**. INVESTOR represents and warrants to Stockholder as follows.

a. **Enforceability.** This Agreement has been duly authorized, executed and delivered by INVESTOR and constitutes a valid and legally binding obligation of INVESTOR, enforceable in accordance with its terms. INVESTOR is a limited liability company and has the right, power and authority to enter into and perform its obligations under this Agreement

b. **Understanding of Risks.** INVESTOR is fully aware of: (a) the highly speculative nature of the Shares and the transactions contemplated by this Agreement; (b) the financial hazards involved; (c) the lack of liquidity of the Shares and the restrictions on transferability of the Shares including the Restrictions; (d) the qualifications and backgrounds of the management of the Company; and (e) the tax consequences of acquiring the Shares.

c. **Information.** INVESTOR acknowledges that Stockholder is not acting as a fiduciary or financial or investment adviser to INVESTOR, and that Stockholder has not given INVESTOR any investment advice, opinion or other information on whether the purchase of the Shares is prudent. INVESTOR acknowledges that (i) Stockholder or his agents currently may have, and later may come into possession of, information with respect to the Company that is not known to INVESTOR and that may be material to a decision to purchase or sell the Shares ("**INVESTOR Excluded Information**") and (ii) INVESTOR has determined to enter into this Agreement without reliance on any oral or written statement of Stockholder and notwithstanding INVESTOR'S lack of knowledge of the INVESTOR Excluded Information whether obtained now or in the future.

d. **INVESTOR's Qualifications.** INVESTOR is aware of the character, business acumen and general business and financial circumstances of the Company. By reason of INVESTOR's business or financial experience, INVESTOR is capable of evaluating the merits and risks of an investment in the Shares and the transactions contemplated by this Agreement, has the ability to protect his or its own interests in this transaction and is financially capable of bearing a total loss of his or its investment in the Shares. INVESTOR is an "accredited investor" as defined in Rule 501 of Regulation D promulgated under the 1933 Act.

e. **No General Solicitation.** At no time was INVESTOR presented with or solicited by any publicly issued or circulated newspaper, mail, radio, television or other form of general advertising or solicitation in connection with the transactions contemplated hereby.

f. **Compliance with Securities Laws.** INVESTOR understands and acknowledges that the Shares are not being registered with the Securities and Exchange Commission ("**SEC**") under the Securities Act of 1933, as amended (the "**1933 Act**") or being qualified under the California Corporate Securities Law of 1968, as amended or any other state securities law or regulation (the "**Law**").

g. **Securities Law Restrictions on Transfer.** INVESTOR has reviewed the legends printed on the Certificate and understands that transfer of the Shares by Stockholder or INVESTOR is subject to the Existing Agreements and any transfer of such Shares requires that the Shares be registered under the 1933 Act or qualified under the Law or other applicable securities laws or unless, in the opinion of counsel to the Company, exemptions from such registration and qualification requirements are available. INVESTOR understands that only the Company may file a registration statement with the SEC or the California Commissioner of Corporations or other applicable securities commissioners and that the Company is under no obligation to do so with respect to the Shares. INVESTOR has also been advised that exemptions from registration and qualification may not be available or may not permit Stockholder or INVESTOR to transfer all or any of the Shares in the amounts or at the times proposed by INVESTOR.

h. **Rule 144.** INVESTOR acknowledges that, because the Shares have not been registered under the 1933 Act, the Shares must be held by INVESTOR indefinitely unless subsequently registered under the 1933 Act or unless an exemption from such registration is available. INVESTOR is aware of the provisions of Rule 144 promulgated under the 1933 Act.

i. **No Other Representations.** INVESTOR is relying solely on the representations and warranties of Stockholder that are contained in **Section 6** in connection with the transactions contemplated hereby.

6. **REPRESENTATIONS AND WARRANTIES OF STOCKHOLDER.** Stockholder represents and warrants to INVESTOR as follows.

a. **Enforceability.** This Agreement has been duly executed and delivered by Stockholder and constitutes a valid and legally binding obligation of Stockholder, enforceable in

accordance with its terms. Stockholder is an individual person and has the individual capacity and the right, power and authority to enter into and perform his obligations under this Agreement and the Existing Agreements.

b. **Title to Shares.** Stockholder is the record and beneficial owner of the Shares of Lookout Preferred Stock and has good and marketable title thereto, free and clear of any liens, claims or encumbrances (other than the Restrictions). Stockholder is the record and beneficial owner of the Options and such Options are fully vested pursuant to the Option Agreements and the Plan documents, and true and correct copies of the Option Agreements, the Option Exercise Agreements, the Plan and all Existing Agreements, together with all amendments, have been delivered to INVESTOR. Stockholder has not assigned or otherwise transferred any interest in and to the Shares, the Options or Stockholder's rights therein, except pursuant to this Agreement. Stockholder has the right under the Options as of the Effective Date to acquire the Shares of Lookout Common Stock free and clear of any encumbrances (other than the Restrictions). Upon issuance of the Lookout Common Stock to Stockholder pursuant to exercise of the Options: (i) Stockholder shall be the beneficial and record owner of all of the Shares, free of any liens, claims, encumbrances or interests and (b) the Shares will not be subject, directly or indirectly to any shareholder agreement, restrictions or other limitations on transfer, right of first refusal, right of repurchase, pre-emptive rights, or co-sale right in favor of any party except for the Restrictions.

c. **No Claims**. There are no legal, governmental or administrative, claims, complaints, prosecutions, actions, investigations or proceedings ("**Claims**") pending, or to Stockholder's knowledge, threatened, which (i) assert any claim of ownership of, or interest in, any of the Shares; (ii) challenge Stockholder's ability to enter into this Agreement or to consummate the transactions contemplated hereby, (iii) could reasonably be expected to adversely affect Stockholder or Stockholder's ability to exercise the Options, or (iv) could reasonably be expected to adversely affect or limit the consummation of the sale of the Shares contemplated by this Agreement, and Stockholder has no knowledge of any facts which could form the basis of any such Claim under (i) through (iv) of this Section. If any of the foregoing arises during the term of this Agreement, Stockholder shall immediately notify INVESTOR in writing.

d. **No Violation of Any Agreement**. Excluding the terms of any Existing Agreement that has been delivered to INVESTOR by Stockholder on or before the Effective Date, the execution, delivery and performance of this Agreement by Stockholder does not violate any agreement to which Stockholder is a party or by which Stockholder, the Shares or any other Stockholder property is or may be bound, and no consent of, notice to, approval of or withholding of objection by any entity or person is required in connection with such execution, delivery and performance.

e. **Not an Affiliate**. Stockholder is not, and will not become, an affiliate of the Company.

f. **Information.** Stockholder acknowledges that neither INVESTOR nor its affiliates or agents are acting as a fiduciary or financial or investment adviser to Stockholder, and neither INVESTOR nor its affiliates or agents has given Stockholder any investment advice, opinion or other information on whether the sale of the Shares is prudent. Stockholder acknowledges that (i) INVESTOR and its affiliates and agents currently may have, and later may come into possession of, information with respect to the Company that is not known to Stockholder and that may be material to a decision to sell the Shares ("**Stockholder Excluded Information**") and (ii) Stockholder has determined to enter into this Agreement notwithstanding his lack of knowledge of the Stockholder Excluded Information whether now or in the future.

g. **No Other Representations.** Stockholder is relying solely on the representations and warranties of INVESTOR that are contained in **Section 5** in connection with the transactions contemplated hereby.

7. **NO RELIANCE.** Each of Stockholder and INVESTOR acknowledges and agrees that neither the Company, nor any of its stockholders, officers, directors, employees, or agents have (i) acted as an agent, finder or broker for Stockholder or INVESTOR or their respective agents with respect to the transactions contemplated hereunder, (ii) made any representations or warranties of any kind, express or implied, to Stockholder or INVESTOR or their respective agents in connection with the transactions contemplated hereunder or (iii) at any time had any duty to Stockholder or INVESTOR or their respective agents to disclose any information relating to the Company, its business, or financial condition or relating to any other matters in connection with the transactions contemplated hereunder. In making his decision to enter into this Agreement, Stockholder is not relying on any information provided by the Company or its agents. In making its decision to purchase the Shares, INVESTOR is not relying on any information provided by the Company or its agents.

8. **ACKNOWLEDGEMENTS.** Each of Stockholder and INVESTOR acknowledges and agrees that (i) the price of the Shares may significantly appreciate (or depreciate) over time; (ii) the Purchase Price may not be the highest price that Stockholder could obtain for the Shares now or in the future; and (iii) Stockholder is giving up the opportunity to receive the benefit of future appreciation, if any, in the value of the Shares and INVESTOR is assuming all risks related to the current or future value or sales price of the Shares. Each of Stockholder and INVESTOR is aware that (a) the Company may sell in the future, its shares of Common Stock and/or Preferred Stock at a price substantially higher or lower than the Purchase Price, and (b) if the Company is either sold (by merger or otherwise), liquidated, or consummates a public offering in the future, the consideration received by holders of the Company's Common Stock and/or Preferred Stock in connection with such transaction or the initial public offering price in such public offering, as the case may be, may be substantially greater or lower than the Purchase Price.

9. **CONFIDENTIALITY.** Each Party, for themselves and their affiliates, their predecessors, successors and assigns, and each of their officers, directors, partners, members, shareholders, employees, representatives and agents agrees that the existence of, and subject matter concerning this Agreement and the transactions contemplated hereby shall be kept strictly confidential. Notwithstanding the foregoing, nothing in this **Section 9** shall prevent: (i) Stockholder from disclosing the terms hereof to his legal, financial and/or accounting advisors who are bound by confidentiality obligations at least as restrictive as those set forth herein; or (ii) INVESTOR from disclosing the terms and provisions hereof to its legal, financial and/or accounting advisors who are bound by confidentiality obligations at least as restrictive as those set forth herein, or disclosing the Agreement and Existing Agreements, and INVESTOR's estimated returns and basis thereof, to any affiliate, partner, lender or other credit provider, investor, or similar agent or in connection with any future sale or assignment of any ownership or other interest in INVESTOR or of INVESTOR's rights hereunder or any fundraising or financing activities undertaken by INVESTOR, or any affiliate thereof or subsequent investing vehicle, that is subject to confidentially obligations substantially similar to this provision.

10. **GENERAL PROVISIONS.**

a. **Legal Advice**. The Parties hereto each expressly acknowledge that they have had the opportunity to seek legal advice from counsel of their choosing regarding the terms of this Agreement and any related documentation and have executed or will execute all such documentation freely and willingly with a fully understanding of the rights, obligations, liabilities and risks associated therewith.

b. **Successors and Assigns; Assignment.** Except as otherwise provided in this Agreement, this Agreement, and the rights and obligations of the Parties hereunder, will be binding upon

and inure to the benefit of their respective successors, assigns, heirs, executors, administrators and legal representatives. No Party to this Agreement may assign, whether voluntarily or by operation of law, any of its rights and obligations under this Agreement, except with the prior written consent of the other Party; provided, however, that notwithstanding the foregoing or any other provision of this Agreement the INVESTOR shall not be prohibited or restricted from selling any or all of the assets, or the membership or similar interests, of INVESTOR to one or more third parties in its sole discretion.

c. **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the State of California, without giving effect to that body of laws pertaining to conflict of laws.

d. **Notices.** Any and all notices required or permitted to be given to a Party pursuant to the provisions of this Agreement will be in writing and will be effective and deemed to provide such party sufficient notice under this Agreement on the earliest of the following: (a) at the time of personal delivery, if delivery is in person; (b) one (1) business day after deposit with an express overnight courier for United States deliveries, or two (2) business days after such deposit for deliveries outside of the United States; or (c) three (3) business days after deposit in the United States mail by certified mail (return receipt requested) for United States deliveries. All notices for delivery outside the United States will be sent by express courier. All notices not delivered personally will be sent with postage and/or other charges prepaid and properly addressed to the party to be notified at the address set forth below the signature lines of this Agreement or at such other address as such other Party may designate by one of the indicated means of notice herein to the other Party hereto. A "**business day**" for purposes of this Agreement shall be a day, other than Saturday or Sunday, when the banks in the city of San Francisco are open for business.

e. **Further Assurances.** The Parties agree to execute such further documents and instruments and to take such further actions as may be reasonably necessary to carry out the purposes and intent of this Agreement.

f. **Titles and Headings.** The titles, captions and headings of this Agreement are included for ease of reference only and will be disregarded in interpreting or construing this Agreement. Unless otherwise specifically stated, all references herein to "sections" and "exhibits" will mean "sections" and "exhibits" to this Agreement. This Agreement is intended for the benefit of the Parties hereto and their respective successors and permitted assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other person or entity.

g. **Entire Agreement.** This Agreement and the documents referred to herein constitute the entire agreement and understanding of the Parties with respect to the subject matter of this Agreement, and supersede all prior understandings and agreements, whether oral or written, between or among the Parties hereto with respect to the specific subject matter hereof.

h. **Severability.** If any provision of this Agreement is determined by any court or arbitrator of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such provision will be enforced to the maximum extent possible given the intent of the parties hereto. If such clause or provision cannot be so enforced, such provision shall be stricken from this Agreement and the remainder of this Agreement shall be enforced as if such invalid, illegal or unenforceable clause or provision had (to the extent not enforceable) never been contained in this Agreement.

i. **Amendment and Waivers.** This Agreement may be amended only by a written agreement executed by each of the Parties hereto. No amendment of or waiver of, or modification of any obligation under this Agreement will be enforceable unless set forth in a writing signed by the Party against which enforcement is sought. Any amendment effected in accordance with this section will be binding upon all parties hereto and each of their respective successors and assigns. No delay or failure to require

performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. No waiver granted under this Agreement as to any one provision herein shall constitute a subsequent waiver of such provision or of any other provision herein, nor shall it constitute the waiver of any performance other than the actual performance specifically waived.

j. **Counterparts; Facsimile Signatures.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered will be deemed an original, and all of which together shall constitute one and the same agreement. This Agreement may be executed and delivered by facsimile or electronic PDF copy and upon such delivery the facsimile or electronic PDF signature will be deemed to have the same effect as if the original signature had been delivered to the other Party.

k. **Survival of Warranties.** Unless otherwise set forth in this Agreement, the representations and warranties of the Stockholder and the INVESTOR contained in or made pursuant to this Agreement shall survive the execution and delivery of this Agreement and the Closings and shall in no way be affected by any investigation or knowledge of the subject matter thereof made by or on behalf of the Stockholder or INVESTOR.

l. **Remedies.** Stockholder's sole remedy for an INVESTOR Default shall be as described in Section 2(c). Except for such remedy limitation for any INVESTOR Default, and notwithstanding anything else contained in this Agreement to the contrary, each Party acknowledges and agrees that if the other Party shall fail to perform any of its obligations hereunder, the non-defaulting Party may exercise any remedy available at law or equity and take any other action necessary or appropriate to protect and enforce the non-defaulting Party's rights and preserve the benefit of the non-defaulting Party's bargain under this Agreement, and the defaulting Party hereby waives any and all rights the defaulting Party may have to object to the non-defaulting Party instituting such action on the grounds that the defaulting Party may have an adequate remedy at law for damages, and also waives any right the defaulting Party may have to require that the non-defaulting Party post a bond to pursue any such equitable remedy.

m. **Expenses.** Except as may be otherwise expressly provided in this Agreement, each Party shall pay its own expenses incurred in connection with the transactions contemplated by this Agreement.

n. **Dispute Resolution.** Any unresolved controversy or claim arising out of or relating to this Agreement shall be submitted to confidential arbitration by one arbitrator mutually agreed upon by the parties, and if no agreement can be reached within thirty (30) days after names of potential arbitrators have been proposed by the American Arbitration Association (the "***AAA***"), then by one arbitrator having reasonable experience in corporate finance transactions of the type provided for in this Agreement and who is chosen by the AAA. The arbitration shall take place in New York, New York in accordance with the AAA rules then in effect, and judgment upon any award rendered in such arbitration will be binding and may be entered in any court having jurisdiction thereof. There shall be limited discovery prior to the arbitration hearing as follows: (a) exchange of witness lists and copies of documentary evidence and documents relating to or arising out of the issues to be arbitrated, (b) depositions of all party witnesses and (c) such other depositions as may be allowed by the arbitrators upon a showing of good cause. The arbitrator shall be required to provide in writing to the Parties the basis for the award or order of such arbitrator, and a court reporter shall record all hearings, with such record constituting the official transcript of such proceedings. 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.

o. **Stockholder's Blank Stock Power; Special Power of Attorney.** The Stock Power and the Special Power of Attorney will be held by INVESTOR and will not be used to effect a transfer of the Shares unless and until there is a breach of Stockholder's obligation to close the Forward

Transaction. Upon a breach by Stockholder, INVESTOR or its successor or designee(s) are hereby authorized and directed to fill in the name of INVESTOR, or its successor or designee(s), the number of Shares (as such number may be adjusted as provided in this Agreement), date the Stock Power and submit the same to the Company or its transfer agent to effect the transfer of the Shares and close the transactions contemplated by this Agreement. If INVESTOR is unable to cause the Company or its transfer agent to transfer the Shares and close the transaction by delivery of the Stock Power without a transfer request or other authorization from Stockholder, then INVESTOR or its designee(s) will be permitted to act under the Special Power of Attorney as Stockholder's agent and attorney-in-fact, which appointment Stockholder acknowledges is coupled with an interest to make such appointment irrevocable, to act for and in Stockholder's behalf to request or otherwise authorize such transfer of Shares to INVESTOR, including without limitation, to act for and in Stockholder's behalf to execute, verify and deliver any additional documents requested by Company or its transfer agent to effect an assignment and transfer of the Shares to close the transactions contemplated by this Agreement.

***[The remainder of this page is intentionally left blank.]***

**IN WITNESS WHEREOF**, the parties hereto have entered into this Agreement, as of the Effective Date.

**STOCKHOLDE** [redacted]

[redacted], Individually

Address: [redacted]

**INVESTOR:**
**LANDON CAPITAL MANAGEMENT LLC, a Delaware limited liability company**

By: _____
Name: _____
Title: _____
Address: 375 Park Avenue, Suite 2607
New York, NY 10152

**CHASM (solely with respect to Section 2.c.):**
**CHASM CAPITAL FUND MANAGEMENT LLC, a Delaware limited liability company**

By: _____
Name: _____
Title: _____
Address: 375 Park Avenue, Suite 2607
New York, NY 10152

## SPOUSAL CONSENT

The undersigned spouse of [redacted] ("**Stockholder**") has read, understands, and hereby approves the Agreement between Stockholder and the Investor (the "**Agreement**"). In consideration of the Purchase Price being paid to Stockholder as set forth in the Agreement, the undersigned hereby agrees to be irrevocably bound by the Agreement and its exhibits and further agrees that any community property interest I may have in the Shares shall similarly be bound by the Agreement and its exhibits. The undersigned hereby appoints Stockholder as my attorney-in-fact with respect to any amendment or exercise of any rights under the Agreement.

Dated: July 15, 2014

[redacted]
Print Name of Spouse

[redacted]
Signature of Spouse

**EXHIBIT A-1**

**Option Exercise Agreement for Delivery to Company re: January 30, 2009 Option**

**EXHIBIT A-2**

**Option Exercise Agreement for Delivery to Company re: December 8, 2011 Option**

**EXHIBIT A-3**

**Option Exercise Agreement for Delivery to Company re: March 29, 2012 Option**

**EXHIBIT B**

**Stock Power and Assignment**
**Separate From Stock Certificate**

FOR VALUE RECEIVED and pursuant to that certain Agreement, dated as of July 15, 2014 (the "***Agreement***"), the undersigned hereby sells, assigns and transfers unto _____, ("***Investor***"):

(1) _____ shares of the common stock of Lookout, Inc., a California corporation (the "***Company***"), standing in the undersigned's name on the books of the Company represented by Certificate No(s).____ delivered herewith; and/or

(2) _____ shares of the Series A preferred stock of the Company standing in the undersigned's name on the books of the Company represented by Certificate No(s).____ delivered herewith;

and does hereby irrevocably constitute and appoint the Secretary of the Company as the undersigned's attorney-in-fact, with full power of substitution, to transfer said stock on the books of the Company. ***THIS ASSIGNMENT MAY ONLY BE USED AS AUTHORIZED BY THE AGREEMENT AND ANY EXHIBITS THERETO.***

Dated: _____ [redacted]

[redacted]

**Spousal Consent:**

Dated: _____ [redacted]

**Instruction:** Please do not fill in any blanks other than the signature line. The purpose of this Stock Power and Assignment is to enable the Investor and/or its assignee(s) to acquire the shares upon exercise of its rights under the Agreement, as set forth in the Agreement, without requiring additional signatures on the part of Investor.

# EXHIBIT B

## ASSIGNMENT OF MEMBERSHIP INTERESTS

# LANDON CAPITAL MANAGEMENT LLC

## ASSIGNMENT OF LLC MEMBERSHIP INTEREST

The undersigned ("**Seller**") represents and warrants that the Seller is the owner of 100% of the membership interests (the "**Membership Interest**") in Landon Capital Management LLC, a Delaware limited liability company (the "**Company**"):

For good and valuable consideration, receipt of which is hereby acknowledged, Seller, by this Assignment does hereby grant, sell, assign, and transfer to **CLEAR SAILING GROUP IV LLC**, a Delaware limited liability company ("**Purchaser**"), and its successors and assigns, all of Seller's right, title and interest in and to the Membership Interest in the Company, to have and hold the same unto Purchaser and its permitted successors and assigns forever.

**IN WITNESS WHEREOF,** the Seller has executed this instrument effective as of **September**, 2014.

**CHASM CAPITAL GROUP LLC**

By: _____

Print: **Akshay Rustagi**

Title: **Managing Member**

# EXHIBIT 2

# REPURCHASE AGREEMENT

This Repurchase Agreement ("Repurchase Agreement") is made and entered into as of November 25, 2024, by and between [redacted], the widow and personal representative of [redacted] ("Purchaser"), and Kathy Bazoian Phelps (the "Receiver"), solely in her capacity as the court-appointed receiver over Clear Sailing Group IV LLC ("Seller") (collectively Purchaser and Seller are referred to as the "Repurchase Parties").

## RECITALS

WHEREAS on July 15, 2014, [redacted] ("[redacted]") and Landon Capital Management LLC (the "Landon Capital"; together with [redacted] the "Original Transaction Parties") entered into a forward purchase agreement (the "FPA") for 106,237 shares of Preferred Stock and 106,237 shares of Common Stock of Lookout, Inc. ("Lookout"). Pursuant to the FPA, Landon Capital purchased from [redacted] what the FPA defined as the "Economic Interest" (the "Economic Interest") in the shares described above (the "Shares") and [redacted] agreed to transfer legal title to and all remaining rights in the Shares to Landon Capital upon the satisfaction of certain conditions set forth in the FPA or upon notice from Landon Capital;

WHEREAS the FPA provided that the rights and obligations of the Original Transaction Parties would be binding upon and inure to the benefit of their respective successors, assigns, heirs, executors, administrators, and legal representatives;

WHEREAS on July 15, 2014, Clear Sailing Group IV LLC ("CSG IV") entered into an agreement with Chasm Capital Group LLC, the sole member of Landon Capital, to acquire a 100% membership interest in Landon Capital;

WHEREAS on October 11, 2016, the District Court for the Northern District of California entered a Temporary Restraining Order and Order to Show Cause why Preliminary Injunction Should Not Be Granted appointing a temporary receiver over the assets of a number of entities, including CSG IV (the "Receivership Entities") in the case captioned *SEC v. Bivona, et al*., No. 3:16-cv-01386 (N.D. Cal.);

WHEREAS on February 27, 2019, the Revised Order Appointing Receiver appointed Kathy Bazoian Phelps as the successor receiver over the Receivership Entities;

WHEREAS, [redacted] has passed away and Purchaser has acquired legal title to the Shares and has succeeded to [redacted]'s rights and obligations under the FPA;

WHEREAS Purchaser wishes to repurchase from Seller, and the Receiver in her capacity as receiver of Seller wishes to sell to Purchaser, the Economic Interest and the Repurchase Parties wish to terminate the FPA under the terms and conditions below.

## AGREEMENT

1. **Court Approval.** This Agreement is subject to approval by the district court for the Northern Central District of California (the "Court") that is presiding over the receivership in

*SEC v. Bivona et al,* Case No. 3:16-cv-01386-EMC and the terms of this Agreement in their entirety without modification or limitation, and the entry of an order by the Court.

2. **Sale of Economic Interest/Termination of FPA**. Subject to the terms and conditions of this Repurchase Agreement, and upon the payment by Purchaser to Seller of the Repurchase Price (defined below) and the satisfaction of the other conditions to Closing (defined below): (i), Seller will sell, assign, and transfer to Purchaser the Economic Interest; and (ii) the FPA, including the obligation of Purchaser to transfer legal title in the Shares to Seller, will immediately and automatically terminate.

3. **Repurchase Price**. The Purchaser will pay Seller $0.11 per share for the Economic Interest in the Lookout Preferred Stock and $0.09 per share for the Economic Interest in the Lookout Common Stock, for an aggregate of $21,247.40 (the "Repurchase Price").

4. **Closing**. The consummation of the purchase and sale of the Economic Interest (the "Closing") will occur no later than 10:00 am Pacific Time on the later of: (i) one (1) business day following the date on which all conditions to the Closing have been satisfied; or (ii) one (1) business days after the Effective Date (defined below). At the Closing: (i) Purchaser will deliver to Seller payment of the Repurchase Price by wire transfer in immediately available funds to an account with a financial institution designated in writing by Seller; and (ii) Seller will deliver to Purchaser an Assignment of Economic Interest in a form attached to this Repurchase Agreement as Exhibit A to the e-mail address appearing below Purchaser's signature to this Repurchase Agreement. The Closing will take place by remote transmission of payments and documents and not at a physical location unless the parties otherwise agree.

5. **Conditions to Closing**. The obligations of the parties to proceed with the Closing are subject to the satisfaction of the following conditions,

a. Conditions of Seller's Obligations. Unless Seller waives any of the following conditions prior to the Closing, the obligation of Seller to sell the Economic Interest will be subject to the conditions that: (i) the Court has approved this Repurchase Agreement; (ii) all representations and warranties of Purchaser given in this Repurchase Agreement will be true and correct as of the date of this Repurchase Agreement and as of the date of the Closing; (iii) no order of any court or administrative agency has been issued that prevents or restricts the parties from proceeding with these transactions; and (iv) there are no actions pending or threatened that seek to enjoin or otherwise prevent the parties from proceeding with the transactions contemplated in this Repurchase Agreement (provided that an action filed or threatened to be filed by Seller will not be a condition to Seller's obligation to proceed with the Closing).

b. Conditions to Purchaser's Obligations. Unless Purchaser waives any of the following conditions prior to the Closing, the obligation of Purchaser to purchase the Economic Interest is subject to the conditions that: (i) all representations and warranties of Seller given in this Repurchase Agreement will be true and correct as of the date of this Repurchase Agreement and as of the date of the Closing; (ii) no order of any court or administrative agency has

been issued that prevents or restricts the parties from proceedings with these transactions; and (iii) there are no actions pending or threatened that against Purchaser or Seller that seek to enjoin or otherwise prevent the parties from proceeding with the transactions contemplated in this Repurchase Agreement (provided that an action filed or threatened to be filed by Purchaser will not be a condition to Purchaser's obligation to proceed with the Closing).

c. Conditions to Both Parties' Obligations. The District Court for the Northern District of California (the "Court") that is presiding over the receivership in SEC v. Bivona et al., Case No. 3:16-cv-01386-EMC will have approved this Repurchase Agreement and the Court will not have rescinded, modified or limited that approval in any manner prior to the Closing.

6. **Representations and Warranties of Purchaser**. Purchaser represents and warrants to Seller as follows, which representations and warranties are true and correct as of the date of this Repurchase Agreement and will be true and correct as of the date of the Closing:

a. Ownership of Shares. Purchaser holds legal title to the Shares. With the exception of the Economic Interest that Purchaser will be acquiring from Seller pursuant to this Repurchase Agreement, no other person has ownership of or any rights to or other interest in the Shares.

b. Authority. Purchaser has full legal right, power, and authority to enter into and perform her obligations under this Repurchase Agreement. This Repurchase Agreement has been duly authorized, executed and delivered on behalf of Purchaser, and this Repurchase Agreement constitutes the valid and legally binding obligation of Purchaser enforceable against Purchaser in accordance with their terms, except as such enforceability may be limited by general principles of equity or to applicable bankruptcy, insolvency, reorganization, moratorium, liquidation, and other similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies.

c. Noncontravention. The execution, delivery and performance by Purchaser of this Repurchase Agreement and the consummation by Purchaser of the transactions contemplated hereby will not conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under any agreement, indenture or instrument to which Purchaser is a party, or (ii) result in a violation of any law, rule, regulation, order, judgment, or decree (including federal and state securities laws) applicable to Purchaser.

d. Purchase for Own Account for Investment. Purchaser is purchasing the Economic Interest for Purchaser's own account for investment purposes only and not with a view to, or for sale in connection with, a distribution of the Shares within the meaning of the Securities Act of 1933, as amended (the "1933 Act"). Purchaser has no present intention of selling or otherwise disposing of all or any portion of the Shares.

e. Reliance on Own Diligence. Purchaser acknowledges that Seller has not given Purchaser any investment advice, opinion, information regarding Lookout, or other information establishing whether the Repurchase Price represents a fair price for the Economic Interest or is in Purchaser's best interests. Purchaser has relied solely on the information she has obtained from Lookout and her independent financial advisors in deciding to purchase the Economic Interest, and considers the information she has received from Lookout and her financial advisors to be adequate to make an informed decision to purchase the Economic Interest under the terms in this Repurchase Agreement.

f. Purchaser's Qualifications. Purchaser, either alone or in conjunction with her purchaser representative(s) (as defined in Rule 501(h) of Regulation D, promulgated under the 1933 Act), has such knowledge and experience in financial and business matters that Purchaser is capable of evaluating the merits and risks of this prospective investment, has the capacity to protect Purchaser's own interests in connection with this transaction and is financially capable of bearing a total loss of the investment she made in the Shares by purchasing the Economic Interest.

g. No General Solicitation. At no time was Purchaser or any other person presented with or solicited by any publicly issued or circulated newspaper, mail, radio, television, Internet or other form of general advertising or solicitation in connection with the purchase of the Economic Interest.

h. Lack of Liquidity – Restrictions on Transfer. Purchaser understands that no public market now exists for the stock of Lookout and there is no assurance that such a public market will ever exist. Purchaser understands that the Shares are subject to restrictions on their transfer under the charter documents of Lookout and various agreements among Lookout and the shareholders of Lookout, which agreements are binding upon the holder of the Shares. These restrictions on transfer may significantly limit the ability of Purchaser to be able to sell or otherwise liquidate Purchaser's investment in the Shares. Purchaser acknowledges that she may be required to hold the Shares indefinitely as a result, and that she is able to bear the financial risk of not being able to liquidate her position in the Shares.

7. **Representations and Warranties of Seller**. Seller represents and warrants to Purchaser as follows, which representations and warranties are true and correct as of the date of this Repurchase Agreement and will be true and correct as of the date of the Closing:

a. Authority. Receiver, in her capacity as receiver over Seller, has full legal right, power, and authority to enter into and cause Seller to perform its obligations under this Repurchase Agreement. This Repurchase Agreement has been duly authorized, executed, and delivered on behalf of Seller, and this Repurchase Agreement constitutes the valid and legally binding obligation of Seller enforceable against Seller in accordance with her terms, except as such enforceability may be limited by general principles of equity or to applicable

bankruptcy, insolvency, reorganization, moratorium, liquidation and other similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies.

b. Noncontravention. The execution, delivery and performance by Receiver of this Repurchase Agreement on behalf of Seller and the consummation by Seller of the transactions contemplated hereby will not conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, any agreement, indenture or instrument to which Seller is a party.

c. Ownership. Seller is the sole owner of the Economic Interest and has not assigned any of its rights or obligations under the FPA (other than by operation of law to the Receiver). Subject to the approval by the Court of this Repurchase Agreement and satisfaction of the condition in Section 5.c, Seller is able to sell, transfer, and assign the Economic Interest to Purchaser free and clear of any liens, encumbrances, or other rights of any third party and to terminate the FPA.

d. Consents. Subject to the approval of this Repurchase Agreement by the Court and subject to the condition in Section 5.c, all consents, approvals, authorizations, and orders required for the Receiver to execute and deliver of this Repurchase Agreement on behalf of Seller and to sell, assign, and transfer the Economic Interest have been obtained and are in full force and effect.

e. Reliance on Own Diligence. Receiver acknowledges that Purchaser has not given Receiver any investment advice, opinion, information regarding Lookout, or other information establishing whether the Repurchase Price is receiving for the Economic Interest represents a fair price to Seller or is in Seller's best interests. Receiver has relied solely on the information she has obtained from Lookout and her independent financial advisors in deciding to cause the Seller to sell the Economic Interest to Purchaser and enter into this Repurchase Agreement and considers the information she has received from Lookout and the Receiver's advisors to be adequate to make an informed decision to sell the Economic Interest and terminate the FPA.

8. **Further Assurances**. The Repurchase Parties agree to execute such further documents and instruments and to take such further actions as may be reasonably necessary to carry out the purposes and intent of this Repurchase Agreement.

**9. Amendment-Waivers**. This Repurchase Agreement may only be amended by means of a writing signed by the Repurchase Parties. No right of any party under this Repurchase Agreement will be deemed waived unless that waiver is in a writing signed by the party who has purportedly waived that right. Purported oral amendments or waivers or amendments or waivers based on course of conduct will be null and void.

10. **Entire Agreement**. This Repurchase Agreement and the documents referred to herein constitute the entire agreement and understanding of the Repurchase Parties with respect to

the subject matter of this Repurchase Agreement, and supersede all prior understandings and agreements, whether oral or written, between or among the Repurchase Parties hereto with respect to the specific subject matter hereof.

11. **Expenses**. All fees and expenses incurred in connection with this Repurchase Agreement and the transactions contemplated hereby shall be paid by the Party incurring such expenses whether or not the transfer is consummated.

12. **Certain Definitions**. Except where the term "business days" is used, all references to "days" in this Repurchase Agreement mean calendar days. "Business days" means days other than weekend days and federal holidays on which banks in Los Angeles, California are authorized to remain closed. The word "including" in this Repurchase Agreement means "including but not limited to."

**13. Effective Date.** The effective date of this Repurchase Agreement will be the last to occur of: (i) the date on in the first paragraph of this Repurchase Agreement; (ii) the date on which the last party to have executed this Repurchase Agreement has done so; and (iii) the date on which the Court approves this Repurchase Agreement.

14. **No Recourse Against Receiver**. The Repurchase Parties acknowledge that the Receiver is acting solely in her capacity as Receiver and that she has no personal liability with respect to this Repurchase Agreement or the transactions described herein.

15. **Signatures**. Purchaser and the Receiver agree to accept electronic signatures as originals.

IN WITNESS WHEREOF, the Repurchase Parties hereto have entered into this Repurchase Agreement, as of the date signed below.

**PURCHASER:**

[redacted], *Widow and Personal Representative of* [redacted]

Date: 11/26/2024

Address:

64 Coolidge Street, Brookline MA 02446

E-Mail: [redacted]

**SELLER**

Kathy Bazoian Phelps, Court *Appointed receiver of Clear Sailing Group IV LLC*

Date: 11/26/2024

Address:

1900 Avenue of the Stars, 19th Floor

Los Angeles, CA 90067

E-Mail: kphelps@raineslaw.com

**EXHIBIT A**

**ASSIGNMENT OF ECONOMIC INTEREST IN SHARES**

For payment of $21,247.40, receipt of which is duly acknowledged, the undersigned hereby sells, assigns, and transfers to [redacted] Widow and Personal Representative of [redacted] ("Purchaser"), all rights of the undersigned in 106,237 shares of Preferred Stock and 106,237 shares of Common Stock of Lookout, Inc. (the "Shares"), including but not limited to the economic interest in the Shares, under a forward purchase agreement, dated July 15, 2014, between [redacted] and Landon Capital Management LLC.

Date: 11/26/2024

Kathy Bazoian Phelps, Court *Appointed receiver of Clear Sailing Group IV LLC*