

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

**FORM 10-Q**

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: June 30, 2017

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 000-19301

**iSign Solutions Inc.**

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of  
incorporation or organization)

94-2790442

(I.R.S. Employer  
Identification No.)

2025 Gateway Place, Suite 485, San Jose, CA 95110  
(Address of principal executive offices) (Zip Code)

(650) 802-7888

Registrant's telephone number, including area code

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes  No

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

large accelerated filer     accelerated filer     non-accelerated filer     Smaller reporting Company     Emerging growth company

Indicate by check mark whether the registrant is a shell company (as defined in Section 12b-2 of the exchange Act)

Yes  No

Number of shares outstanding of the issuer's Common Stock, as of August 14, 2017: 5,761,980

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PART I—FINANCIAL INFORMATION

## Item 1. Financial Statements

**iSign Solutions Inc.**  
**Condensed Consolidated Balance Sheets**  
(In thousands, except par value amounts)

|  | <u>June 30,</u><br><u>2017</u> | <u>December 31,</u><br><u>2016</u> |
|--|--------------------------------|------------------------------------|
|  | <u>(Unaudited)</u>             |                                    |
| <b>Assets</b>  |                                |                                    |
| Current assets:  |                                |                                    |
| Cash and cash equivalents  | \$ 319                         | \$ 389                             |
| Accounts receivable, net of allowance of \$3 at June 30, 2017 and \$63 at December 31, 2016, respectively                            | 183                            | 137                                |
| Prepaid expenses and other current assets  | 24                             | 56                                 |
| Total current assets   | 526                            | 582                                |
| Property and equipment, net  | 14                             | 20                                 |
| Intangible assets, net   | 107                            | 269                                |
| Other assets   | 17                             | 17                                 |
| Total assets   | <u>\$ 664</u>                  | <u>\$ 888</u>                      |
| <b>Liabilities and Deficit</b>   |                                |                                    |
| Current liabilities:   |                                |                                    |
| Accounts payable   | \$ 1,316                       | \$ 1,368                           |
| Accrued compensation   | 255                            | 257                                |
| Other accrued liabilities  | 559                            | 505                                |
| Deferred revenue   | 303                            | 258                                |
| Short-term capital lease   | 4                              | 4                                  |
| Total current liabilities  | 2,437                          | 2,392                              |
| Long-term debt, net  | 1,260                          | 707                                |
| Deferred revenue long-term   | 245                            | 315                                |
| Long-term capital lease  | 8                              | 9                                  |
| Other long-term liabilities  | 7                              | 13                                 |
| Total liabilities  | <u>3,957</u>                   | <u>3,346</u>                       |
| Commitments and contingencies  |                                |                                    |
| Equity (deficit):  |                                |                                    |
| Common stock, \$0.01 par value; 20,000 shares authorized; 5,760 shares issued and outstanding at June 30, 2017 and December 31, 2016 | 58                             | 58                                 |
| Treasury shares, 5 at June 30, 2017 and December 31, 2016  | (325)                          | (325)                              |
| Additional paid-in capital   | 128,939                        | 128,884                            |
| Accumulated deficit  | (131,415)                      | (130,615)                          |
| Accumulated other comprehensive loss   | (14)                           | (14)                               |
| Total iSign stockholders' deficit  | (2,757)                        | (2,012)                            |
| Non-controlling interest   | (536)                          | (536)                              |
| Total deficit  | <u>(3,293)</u>                 | <u>(2,548)</u>                     |
| Total liabilities and deficit  | <u>\$ 664</u>                  | <u>\$ 888</u>                      |

See accompanying notes to these Condensed Consolidated Financial Statements

**iSign Solutions Inc.**  
**Condensed Consolidated Statements of Operations**  
**(Unaudited)**  
(In thousands, except per share amounts)

|   | Three Months Ended<br>June 30, |                   | Six Months Ended<br>June 30, |                   |
|---|--------------------------------|-------------------|------------------------------|-------------------|
|   | 2017                           | 2016              | 2017                         | 2016              |
| <b>Revenue:</b>   |                                |                   |                              |                   |
| Product   | \$ 45                          | \$ 164            | \$ 92                        | \$ 224            |
| Maintenance   | 170                            | 192               | 333                          | 409               |
| Total revenue   | <u>215</u>                     | <u>356</u>        | <u>425</u>                   | <u>633</u>        |
| <b>Operating costs and expenses:</b>                          |                                |                   |                              |                   |
| Cost of sales:  |                                |                   |                              |                   |
| Product   | 4                              | 17                | 7                            | 54                |
| Maintenance   | 24                             | 85                | 69                           | 218               |
| Research and development                                      | 301                            | 367               | 585                          | 685               |
| Sales and marketing   | 49                             | 127               | 108                          | 329               |
| General and administrative                                    | 290                            | 613               | 678                          | 1,342             |
| Total operating costs and expenses                            | <u>668</u>                     | <u>1,209</u>      | <u>1,447</u>                 | <u>2,628</u>      |
| Loss from operations  | (453)                          | (853)             | (1,022)                      | (1,995)           |
| Other income (expense), net                                   | 74                             | (16)              | 73                           | (13)              |
| Interest expense:   |                                |                   |                              |                   |
| Related party   | (6)                            | (30)              | (12)                         | (81)              |
| Other   | (15)                           | (38)              | (30)                         | (98)              |
| Amortization of debt discount:                                |                                |                   |                              |                   |
| Related party   | (7)                            | (34)              | (14)                         | (56)              |
| Other   | (17)                           | (127)             | (34)                         | (210)             |
| Gain on sale of intangible assets                             | 239                            | -                 | 239                          | -                 |
| Gain on derivative liability                                  | -                              | 149               | -                            | 174               |
| Net loss  | <u>(185)</u>                   | <u>(949)</u>      | <u>(800)</u>                 | <u>(2,279)</u>    |
| Accretion of beneficial conversion feature: Preferred stock:  |                                |                   |                              |                   |
| Related party   | -                              | -                 | -                            | (115)             |
| Other   | -                              | -                 | -                            | (130)             |
| Preferred stock dividends:                                    |                                |                   |                              |                   |
| Related party   | -                              | (226)             | -                            | (646)             |
| Other   | -                              | (233)             | -                            | (667)             |
| Net loss attributable to common stockholders                  | <u>\$ (185)</u>                | <u>\$ (1,408)</u> | <u>\$ (800)</u>              | <u>\$ (3,837)</u> |
| Basic and diluted net loss per common share                   | <u>\$ (0.03)</u>               | <u>\$ (0.53)</u>  | <u>\$ (0.14)</u>             | <u>\$ (2.70)</u>  |
| Weighted average common shares outstanding, basic and diluted | <u>5,762</u>                   | <u>2,636</u>      | <u>5,762</u>                 | <u>1,420</u>      |

See accompanying notes to these Condensed Consolidated Financial Statements

**iSign Solutions Inc.**  
**Condensed Consolidated Statements of Cash Flows**  
**(Unaudited)**  
(In thousands)

|   | <b>Six Months Ended</b> |               |
|---|-------------------------|---------------|
|   | <b>June 30,</b>         |               |
|   | <b>2017</b>             | <b>2016</b>   |
| <b>Cash flows from operating activities:</b>  |                         |               |
| Net loss  | \$ (800)                | \$ (2,279)    |
| Adjustments to reconcile net loss to net cash used in operating activities:         |                         |               |
| Depreciation and amortization   | 169                     | 183           |
| Debt discount amortization  | 48                      | 266           |
| Stock-based compensation  | 56                      | 106           |
| Gain on sale of intangible assets   | (239)                   | -             |
| Gain on derivative liability  | -                       | (174)         |
| Changes in operating assets and liabilities:  |                         |               |
| Accounts receivable, net  | (46)                    | (102)         |
| Prepaid expenses and other assets   | 32                      | 317           |
| Accounts payable  | (52)                    | 544           |
| Accrued compensation  | (2)                     | 34            |
| Other accrued and long-term liabilities   | 47                      | 405           |
| Deferred revenue  | (25)                    | (115)         |
| Net cash used in operating activities   | <u>(812)</u>            | <u>(815)</u>  |
| <b>Cash flows from investing activities:</b>  |                         |               |
| Acquisition of property and equipment   | (2)                     | -             |
| Net cash used in investing activities   | <u>(2)</u>              | <u>-</u>      |
| <b>Cash flows from financing activities:</b>  |                         |               |
| Proceeds from the issuance of long-term debt  | 505                     | -             |
| Proceeds from the sale of intangible assets, net                                    | 239                     | -             |
| Proceeds from issuance of common stock and warrants, net of offering costs of \$780 | -                       | 424           |
| Net cash provided by financing activities   | <u>744</u>              | <u>424</u>    |
| Net decrease in cash and cash equivalents   | (70)                    | (391)         |
| Cash and cash equivalents at beginning of period                                    | 389                     | 846           |
| Cash and cash equivalents at end of period  | <u>\$ 319</u>           | <u>\$ 455</u> |

See accompanying notes to these Condensed Consolidated Financial Statements

**iSign Solutions Inc.**  
**Condensed Consolidated Statements of Cash Flows (Continued)**  
**(Unaudited)**  
(In thousands)

|   | <b>Six Months Ended</b> |             |
|---|-------------------------|-------------|
|   | <b>June 30,</b>         |             |
|   | <b>2017</b>             | <b>2016</b> |
| <b>Supplementary disclosure of cash flow information</b>  |                         |             |
| Interest paid   | \$ 8                    | \$ 3        |
| Income taxes paid   | \$ -                    | \$ -        |
| <b>Non-cash financing and investing transactions:</b>   |                         |             |
| Acquisition of property and equipment through capital lease   | \$ -                    | \$ 15       |
| Conversion of convertible notes plus accrued interest into 683 shares of Common Stock                             | \$ -                    | \$ 1,188    |
| Conversion of deferred compensation plus accrued interest into 286 shares of Common Stock                         | \$ -                    | \$ 498      |
| Exchange of long-term unsecured convertible promissory notes for long-term unsecured convertible promissory notes | \$ 250                  | \$ -        |
| Exchange of long-term unsecured convertible promissory notes for long-term secured convertible promissory notes   | \$ 200                  | \$ -        |
| Dividends on Preferred Stock  | \$ -                    | \$ 1,313    |
| Accretion of beneficial conversion feature on issuance of Preferred Stock dividends                               | \$ -                    | \$ 245      |

See accompanying notes to these Condensed Consolidated Financial Statements

**iSign Solutions Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements**  
**(In thousands, except per share amounts)**

1. Nature of Business and Summary of Significant Accounting Policies

Nature of Business

iSign Solutions Inc. and its subsidiary is a leading supplier of digital transaction management (DTM) software enabling the paperless, secure and cost-effective management and authentication of document-based transactions. iSign's solutions encompass a wide array of functionality and services, including electronic signatures, simple-to-complex workflow management and various options for biometric authentication. These solutions are available across virtually all enterprise, desktop and mobile environments as a seamlessly integrated platform for both ad-hoc and fully automated transactions. iSign's platform can be deployed both on premise and as a cloud-based ("SaaS") service, with the ability to easily transition between deployment models. The Company is headquartered in San Jose, California. The Company's products include SignatureOne® Ceremony™ Server, the iSign® suite of products and services, including iSign® Enterprise and iSign® Console™, and Sign-it® programs.

Basis of Presentation

The financial information contained herein should be read in conjunction with the Company's consolidated audited financial statements and notes thereto included in its Annual Report on Form 10-K for the year ended December 31, 2016.

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America ("GAAP") for complete consolidated financial statements. In the opinion of management, the unaudited condensed consolidated financial statements included in this quarterly report reflect all adjustments (consisting only of normal recurring adjustments) that the Company considers necessary for a fair presentation of its financial position at the dates presented and the Company's results of operations and cash flows for the periods presented. The Company's interim results are not necessarily indicative of the results to be expected for the entire year.

*Going Concern*

The accompanying unaudited condensed consolidated financial statements have been prepared assuming that the Company will continue as a going concern. The Company has incurred significant cumulative losses since its inception and, at June 30, 2017, the Company's accumulated deficit was \$131,415. The Company has primarily met its working capital needs through the sale of debt and equity securities. As of June 30, 2017, the Company's cash balance was \$319. These factors raise substantial doubt about the Company's ability to continue as a going concern.

There can be no assurance that the Company will be successful in securing adequate capital resources to fund planned operations or that any additional funds will be available to the Company when needed, or if available, will be available on favorable terms or in amounts required by the Company. If the Company is unable to obtain adequate capital resources to fund operations, it may be required to delay, scale back or eliminate some or all of its operations, which may have a material adverse effect on the Company's business, results of operations and ability to operate as a going concern. The unaudited condensed consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

**iSign Solutions Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements**  
(In thousands, except per share amounts)

1. Nature of Business and Summary of Significant Accounting Policies (continued)

*Accounting Changes and Recent Accounting Pronouncements*

In May 2017, the FASB issued ASU 2017-09, *Compensation (Subtopic 718-20): Stock Compensation - Scope of Modification Accounting*. ASU 2017-09 provides guidance on determining which changes to the terms and conditions of share-based payment awards require an entity to apply modification accounting under Topic 718. The guidance is effective for annual periods after December 15, 2017. Implementation of ASU 2017-09 is not expected to have a material impact on the Company's financial position, results of operations and cash flows.

2. Concentrations

The following table summarizes accounts receivable and revenue concentrations:

|                            | Accounts Receivable<br>as of June 30, |             | Total Revenue<br>for the three months<br>ended June 30, |             | Total Revenue<br>for the six months<br>ended June 30, |             |
|----------------------------|---------------------------------------|-------------|---|-------------|---|-------------|
|                            | 2017                                  | 2016        | 2017  | 2016        | 2017  | 2016        |
| Customer #1                | 23%                                   | 33%         | 10%   | -           | 10%   | -           |
| Customer #2                | 67%                                   | -           | -   | -           | -   | -           |
| Customer #3                | -                                     | -           | 15%   | -           | 15%   | 11%         |
| Customer #4                | -                                     | 48%         | 16%   | 38%         | 16%   | 27%         |
| Customer #5                | -                                     | -           | 16%   | -           | 16%   | 11%         |
| <i>Total concentration</i> | <u>90 %</u>                           | <u>81 %</u> | <u>57 %</u>   | <u>38 %</u> | <u>57 %</u>   | <u>49 %</u> |

3. Intangible assets

The Company performs an intangible asset impairment analysis at least annually or whenever circumstances or events indicate such assets might be impaired. The Company would recognize an impairment charge in the event the net book value of such assets exceeded the future undiscounted cash flows attributable to such assets.

Management completed an analysis of the Company's intangible assets as of December 31, 2016. Based on that analysis, the Company concluded that no impairment of the carrying value of the intangible assets existed. The Company believes that no events or circumstances changed during the three and six months ended June 30, 2017 that would impact this conclusion.

Amortization of intangible assets costs was \$81 and \$162 for the three and six-month periods ended June 30, 2017 and \$80 and \$161 for the three and six-month periods ended June 30, 2016, respectively.

The following table summarizes the patents:

|                                | June 30, 2017      |                             |           | December 31, 2016  |                             |           |
|--------------------------------|--------------------|-----------------------------|-----------|--------------------|-----------------------------|-----------|
|                                | Carrying<br>Amount | Accumulated<br>Amortization | Net Value | Carrying<br>Amount | Accumulated<br>Amortization | Net Value |
| Amortizable intangible assets: |                    |                             |           |                    |                             |           |
| Technology                     | \$ 6,745           | \$ (6,638)                  | \$ 107    | \$ 6,745           | \$ (6,476)                  | \$ 269    |



**iSign Solutions Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements**  
**(In thousands, except per share amounts)**

4. Net Loss per Share

The Company calculates basic net loss per share based on the weighted average number of shares outstanding, and when applicable, diluted net income per share, which is based on the weighted average number of shares and potential dilutive shares outstanding.

The Company's Preferred Shareholders converted all of their Preferred Stock into shares of Common Stock on May 19, 2016. The following table lists shares and warrants that were excluded from the calculation of diluted earnings per share as the exercise of such options and warrants would be antidilutive:

|               | For the Six Months Ended |               |
|---------------|--------------------------|---------------|
|               | June 30, 2017            | June 30, 2016 |
| Stock options | 573                      | 74            |
| Warrants      | 1,878                    | 1,756         |

5. Debt

*Advances:*

In February 2017, the Company received, from investors and affiliates of the Company, advances aggregating \$120 in cash against certain accounts receivable of the Company. Upon collection of an invoice, the Company would repay the advance to the lenders on a pro rata basis together with a 5% advance fee. The receivables were collected and the advances were repaid in March 2017, along with \$6 in advance fees per the agreement. The advance fees were recorded as interest expense in the quarter ended March 31, 2017.

*Notes payable:*

In November 2016, the Company issued long-term unsecured convertible promissory notes to investors and affiliates of the Company aggregating \$700 in cash. The Company also issued the same long-term notes to affiliates in exchange for an aggregate of \$200 in demand notes that had been issued earlier in September and October of 2016. The long-term notes are mandatorily convertible into Common Stock at a conversion rate of the lesser of \$1.30 per share or the price per share of Common Stock, upon closing a new debt and or equity financing of at least \$1,000 in aggregate proceeds. The notes bear interest at the rate of 6% per annum and are due December 31, 2018. The Company issued warrants to purchase 277 shares of Common Stock in connection with these long-term notes. The Company ascribed a value of \$204 to the 277 warrants and recorded a discount to the long-term notes and a corresponding amount to additional paid-in capital. The discount is being amortized using the effective interest method over the term of the notes.

In May 2017, the Company issued long-term secured convertible promissory notes to investors and affiliates of the Company aggregating \$505 in cash. In addition, certain investors and affiliates of the Company that had taken part in the November 2016 financing discussed above and that also participated in the May 2017 financing, exchanged \$250 of unsecured convertible promissory notes received in the November 2016 financing for the same secured notes issued in the May 2017 financing. The secured notes are mandatorily convertible into Common Stock at a conversion rate of the lesser of \$0.50 per share or the price per share of Common Stock, upon closing a new financing of at least \$1,000 in aggregate proceeds. The secured notes bear interest at the rate of 10% per annum, are due December 31, 2018 and are secured by an interest in all the Company's rights, title and interest in, to and under its intellectual property. Should the secured notes remain outstanding following the maturity date an additional 30% of the note's principal amount shall become due and payable.

**iSign Solutions Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements**  
**(In thousands, except per share amounts)**

5. Debt (continued)

The Company is using the funds received from the above financing for working capital and general corporate purposes.

The Company recorded \$24 and \$48 in debt discount amortization for the three and six months ended June 30, 2017, respectively, related to the above 2016 debt financings.

6. Equity (Deficit)

Stock-based compensation expense is based on the estimated grant date fair value of the portion of stock-based payment awards that are ultimately expected to vest during the period. The grant date fair value of stock-based awards to employees and directors is calculated using the Black-Scholes-Merton valuation model.

Forfeitures of stock-based payment awards are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The estimated average forfeiture rate for the three months ended June 30, 2017 and 2016, was approximately 10.55% and 11.89%, respectively, based on historical data.

*Valuation and Expense Information:*

The weighted-average fair value of stock-based compensation is based on the Black-Scholes-Merton valuation model. Forfeitures are estimated and it is assumed no dividends will be declared. The estimated fair value of stock-based compensation awards to employees is amortized using the accrual method over the vesting period of the options.

The Company granted 502 stock options during the three months ended June 30, 2017 at a weighted average exercise price of \$.50 per share. There were no stock options exercised during the three and six months ended June 30, 2017.

There were no stock options granted, and no stock options exercised during the three and six months ended June 30, 2016.

The fair value calculations for the stock options granted are based on the following assumptions:

|                         | Three and<br>Six Months<br>Ended<br>June 30, 2017 |
|-------------------------|---|
| Risk free interest rate | 1.56%   |
| Expected life (years)   | 5.3   |
| Expected volatility     | 212.15%   |
| Expected dividends      | None  |

**iSign Solutions Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements**  
(In thousands, except per share amounts)

6. Equity (Deficit) (continued)

The following table summarizes the allocation of stock-based compensation expense related to stock option grants for the three and six months ended June 30:

|  | Three Months Ended June 30, |              | Six Months Ended June 30, |               |
|--|-----------------------------|--------------|---------------------------|---------------|
|  | 2017                        | 2016         | 2017                      | 2016          |
| Research and development               | \$ 12                       | \$ 15        | \$ 20                     | \$ 34         |
| Sales and marketing                    | \$ -                        | \$ 2         | \$ -                      | \$ 15         |
| General and administrative             | \$ 10                       | \$ 19        | \$ 20                     | \$ 43         |
| Director and consultant options        | \$ 13                       | \$ 6         | \$ 16                     | \$ 14         |
| Total stock-based compensation expense | <u>\$ 35</u>                | <u>\$ 42</u> | <u>\$ 56</u>              | <u>\$ 106</u> |

A summary of option activity under the Company's plans for the six months ended June 30, 2017 and 2016 is as follows:

| Options                                | 2017       |   |   |                           | 2016      |   |   |                           |
|--|------------|---|---|---------------------------|-----------|---|---|---------------------------|
|  | Shares     | Weighted Average Exercise Price Per Share | Weighted Average Remaining Contractual Life (Years) | Aggregate Intrinsic Value | Shares    | Weighted Average Exercise Price Per Share | Weighted Average Remaining Contractual Life (Years) | Aggregate Intrinsic Value |
| Outstanding at January 1,              | 71         | \$ 45.21                                  |   | \$ -                      | 82        | \$ 45.35                                  |   | \$ -                      |
| Granted                                | 502        | \$ 0.50                                   |   | \$ -                      | -         | \$ -                                      |   | \$ -                      |
| Exercised                              | -          | \$ -                                      |   | \$ -                      | -         | \$ -                                      |   | \$ -                      |
| Forfeited or expired                   | -          | \$ -                                      |   | \$ -                      | (8)       | \$ 42.16                                  |   | \$ -                      |
| Outstanding at June 30                 | <u>573</u> | <u>\$ 6.07</u>                            | <u>6.34</u>   | <u>\$ -</u>               | <u>74</u> | <u>\$ 45.71</u>                           | <u>3.65</u>   | <u>\$ -</u>               |
| Vested and expected to vest at June 30 | <u>520</u> | <u>\$ 6.61</u>                            | <u>6.29</u>   | <u>\$ -</u>               | <u>72</u> | <u>\$ 46.22</u>                           | <u>3.10</u>   | <u>\$ -</u>               |
| Exercisable at June 30                 | <u>64</u>  | <u>\$ 47.31</u>                           | <u>2.45</u>   | <u>\$ -</u>               | <u>58</u> | <u>\$ 51.10</u>                           | <u>3.10</u>   | <u>\$ -</u>               |

The following table summarizes significant ranges of outstanding and exercisable options as of June 30, 2017:

| Range of Exercise Prices | Options Outstanding |  |                                 | Options Exercisable |                                 |  |
|--------------------------|---------------------|--|---------------------------------|---------------------|---------------------------------|--|
|                          | Number Outstanding  | Weighted Average Remaining Contractual Term (in years) | Weighted Average Exercise Price | Number Outstanding  | Weighted Average Exercise Price |  |
| \$0.50 – \$25.00         | 504                 | 6.86   | \$ 0.56                         | 1                   | \$ 14.75                        |  |
| \$25.01 – 625.00         | 69                  | 2.58   | \$ 46.30                        | 63                  | \$ 47.99                        |  |
| Total                    | <u>573</u>          | <u>6.34</u>  | <u>\$ 6.07</u>                  | <u>64</u>           | <u>\$ 47.31</u>                 |  |

**iSign Solutions Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements**  
**(In thousands, except per share amounts)**

6. Equity (Deficit)

A summary of the status of the Company's non-vested shares as of June 30, 2017 is as follows:

| Non-vested Shares             | Shares     | Weighted<br>Average<br>Grant-Date<br>Fair Value |
|-------------------------------|------------|---|
| Non-vested at January 1, 2017 | 11         | \$ 23.01  |
| Granted                       | 502        | \$ 0.50   |
| Vested                        | (4)        | \$ 47.31  |
| Non-vested at June 30, 2017   | <u>509</u> | <u>\$ 0.85</u>                                  |

As of June 30, 2017, there was a total of \$144 of unrecognized compensation expense related to non-vested stock-based compensation arrangements granted under the plans. The unrecognized compensation expense is expected to be realized over a weighted average period of 2.4 years.

Warrants

A summary of the warrant activity for the six months ended June 30 is as follows:

|                                    | June 30, 2017 |  | June 30, 2016 |  |
|------------------------------------|---------------|--|---------------|--|
|                                    | Shares        | Weighted<br>Average<br>Exercise Price<br>Per Share | Shares        | Weighted<br>Average<br>Exercise Price<br>Per Share |
| Outstanding at beginning of period | 1,882         | \$ 2.52  | 205           | \$ 35.51   |
| Issued                             | -             | \$ -   | 1,551         | \$ 2.18  |
| Expired                            | (4)           | \$ 34.38   | -             | \$ -   |
| Outstanding at end of period       | <u>1,878</u>  | <u>\$ 1.53</u>                                     | <u>1,756</u>  | <u>\$ 5.27</u>                                     |
| Exercisable at end of period       | <u>1,878</u>  | <u>\$ 1.53</u>                                     | <u>1,756</u>  | <u>\$ 5.27</u>                                     |

A summary of the status of the warrants outstanding and exercisable as of June 30, 2017 is as follows:

| Number of Warrants | Weighted Average<br>Remaining Life | Weighted Average Exercise<br>Price per share |
|--------------------|------------------------------------|--|
| 50                 | .02                                | \$ 0.42                                      |
| 277                | 0.42                               | \$ 0.24                                      |
| <u>1,551</u>       | <u>3.25</u>                        | <u>\$ 1.80</u>                               |
| <u>1,878</u>       | <u>3.69</u>                        | <u>\$ 1.53</u>                               |

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***Forward Looking Statements***

Certain statements contained in this quarterly report on Form 10-Q, including, without limitation, statements containing the words “believes”, “anticipates”, “hopes”, “intends”, “expects”, and other words of similar import, constitute “forward looking” statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties and other factors which may cause actual events to differ materially from expectations. Such factors include those set forth in the Company’s Annual Report on Form 10-K for the year ended December 31, 2016, including the following:

- Technological, engineering, manufacturing, quality control or other circumstances that could delay the sale or shipment of products;
- Economic, business, market and competitive conditions in the software industry and technological innovations that could affect the Company’s business;
- The Company’s inability to protect its trade secrets or other proprietary rights, operate without infringing upon the proprietary rights of others and prevent others from infringing on the proprietary rights of the Company; and
- General economic and business conditions and the availability of sufficient financing.

Except as otherwise required by applicable laws, the Company undertakes no obligation to publicly update or revise any forward-looking statements, as a result of new information, future events or otherwise.

**Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.**

The following discussion and analysis should be read in conjunction with the Company’s unaudited condensed consolidated financial statements and notes thereto included in Part 1, Item 1 of this quarterly report on Form 10-Q and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” set forth in the Company’s Annual report on Form 10-K for the fiscal year ended December 31, 2016.

***Overview***

The Company is a leading supplier of digital transaction management (DTM) software enabling the paperless, secure and cost-effective management of document-based transactions. iSign’s solutions encompass a wide array of functionality and services, including electronic signatures, biometric authentication and simple-to-complex workflow management. These solutions are available across virtually all enterprise, desktop and mobile environments as a seamlessly integrated platform for both ad-hoc and fully automated transactions. iSign’s platform can be deployed both on-premise and as a cloud-based service, with the ability to easily transition between deployment models.

The Company was incorporated in Delaware in October 1986. Except for the year ended December 31, 2004, in each year since its inception the Company has incurred losses. For the two-year period ended December 31, 2016, net losses attributable to common stockholders aggregated approximately \$12,676, and, at June 30, 2017, the Company's accumulated deficit was approximately \$131,415.

For the three months ended June 30, 2017, total revenue was \$215, a decrease of \$141, or 40%, compared to total revenue of \$356 in the prior year period. For the six months ended June 30, 2017, total revenue was \$425, a decrease of \$208, or 33%, compared to total revenue of \$633 in the prior year period. The decreases in revenue for the three and six months ended June 30, 2017 is due primarily to a large order received in the second quarter of 2016.

The net loss applicable to common stockholders for the three months ended June 30, 2017 was \$185, a decrease of \$1,223, or 87%, compared to a net loss applicable to common stockholders of \$1,408 in the prior year period. The decrease is due to the decrease in the loss from operations of \$400, an increase in other income, a decrease in interest expense, a decrease in amortization of the debt discount, partially offset by a decrease in derivative liability income for a combined amount of \$364, and a decrease in dividends and related beneficial conversion feature of \$459. For the six months ended June 30, 2017 the net loss applicable to common stockholders was \$800, a decrease of \$3,037, or 79%, compared to a net loss applicable to common stockholders of \$3,837 in the prior year period. The decrease is due to the decrease in the loss from operations of \$973, an increase in other income, a decrease in interest expense, a decrease in amortization of the debt discount, partially offset by a decrease in derivative liability income for a combined amount of \$506, and a decrease in dividends and related beneficial conversion feature of \$1,558.

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In May 2017, the Company issued long-term secured convertible promissory notes to investors and affiliates of the Company aggregating \$505 in cash. In addition, certain investors and affiliates of the Company that had taken part in the November 2016 financing discussed above and that also participated in the May 2017 financing, exchanged \$250 of unsecured convertible promissory notes received in the November 2016 financing for \$250 of the same secured notes issued in the May 2017 financing. The secured notes are mandatorily convertible into Common Stock at a conversion rate of the lesser of \$.50 per share or the price per share of Common Stock, upon closing a new financing of at least \$1,000 in aggregate proceeds. The secured notes bear interest at the rate of 10% per annum, are due December 31, 2018 and are secured by an interest in all the Company's rights, title and interest in, to and under its intellectual property. Should the secured notes remain outstanding following the maturity date, an additional 30% of the note's principal amount shall become due and payable.

**Critical Accounting Policies and Estimates**

Refer to Item 7, "Management Discussion and Analysis of Financial Condition and Results of Operations" in the Company's 2016 Form 10-K.

***Effect of Recent Accounting Pronouncement***

In May 2017, the FASB issued ASU 2017-09, Compensation (Subtopic 718-20): Stock Compensation - Scope of Modification Accounting. ASU 2017-09 provides guidance on determining which changes to the terms and conditions of share-based payment awards require an entity to apply modification accounting under Topic 718. The guidance is effective for annual periods after December 15, 2017. Implementation of ASU 2017-09 is not expected to have a material impact on the Company's financial position, results of operations and cash flows.

***Results of Operations***

***Revenue***

For the three months ended June 30, 2017, product revenue was \$45, a decrease of \$119, or 73%, compared to product revenue of \$164 in the prior year period. The decrease in revenue is primarily attributable to a large order received in the second quarter of 2016. For the three months ended June 30, 2017, maintenance revenue was \$170, a decrease of \$22, or 11%, compared to maintenance revenue of \$192 in the prior year period. This decrease is primarily due to the non-renewal of maintenance contracts.

For the six months ended June 30, 2017, product revenue was \$92, a decrease of \$132, or 59%, compared to product revenue of \$224 in the prior year period. The decrease in product revenue is primarily due to the same factors discussed for the three-month period discussed above. For the six months ended June 30, 2017, maintenance revenue was \$333, a decrease of \$76, or 19%, compared to maintenance revenue of \$409 in the prior year period. The decrease in maintenance revenue is primarily due to the factors discussed for the three-month period above.

***Cost of Sales***

For the three months ended June 30, 2017, cost of sales was \$28, a decrease of \$74, or 73%, compared to cost of sales of \$102 in the prior year period. The decrease in cost of sales was due to a decrease in direct labor related to transactional and maintenance revenue generating contracts during the three months ended June 30, 2017, compared to the prior year period.

For the six months ended June 30, 2017, cost of sales was \$76, a decrease of \$196, or 72%, compared to cost of sales of \$272 in the prior year period. The decrease in cost of sales was due to a decrease in direct labor related to transactional and maintenance revenue generating contracts, compared to the prior year period.

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***Operating expenses***

***Research and Development Expenses***

For the three months ended June 30, 2017, research and development expense was \$301, a decrease of \$66, or 18%, compared to research and development expense of \$367 in the prior year period. Research and development expenses consist primarily of salaries and related costs, outside engineering, maintenance items, and allocated facilities expenses. The most significant factor in the \$66 decrease was a \$44, or 12%, decrease in total salaries and benefits due to the reduction of one engineer in the third quarter of the prior year. Other general expenses decreased \$94, or 55%, compared to the prior year. The reductions in overhead expenses were offset by an unfavorable variance of \$72 in allocated labor costs. Total expenses, before allocations for the three months ended June 30, 2017, were \$312, a decrease of \$55, or 15%, compared to \$367 in the prior year period. The decrease in gross expenses is primarily due to planned cost reductions put in place during the prior year.

For the six months ended June 30, 2017, research and development expense was \$585, a decrease of \$100, or 15%, compared to research and development expense of \$685 in the prior year period. The reasons for the decrease during the six-month period ended June 30, 2017 are the same as for the three-month period discussed above. Total expenses, before allocations to cost of sales, for the six months ended June 30, 2017, were \$689, a decrease of \$298, or 30%, compared to \$987 in the prior year period.

***Sales and Marketing Expense***

For the three months ended June 30, 2017, sales and marketing expense was \$49, a decrease of \$78, or 61%, compared to sales and marketing expense of \$127 in the prior year period. For the six months ended June 30, 2017, sales and marketing expense was \$108, a decrease of \$221, or 67%, compared to sales and marketing expense of \$329 in the prior year period. These decreases were primarily attributable to salary and related cost savings implemented during the prior year as part of the Company's transition to a go-to-market strategy principally focused on partner integrations.

***General and Administrative Expense***

For the three months ended June 30, 2017, general and administrative expense was \$290, a decrease of \$323, or 53%, compared to general and administrative expense of \$613 in the prior year period. The decrease was primarily due to legal, accounting and other offering expenses that were not applied against the public offering that was completed May 2016 as well as decreases in salaries and certain related expense of \$31, or 33%. Other general administrative expenses decreased \$34, or 16%, compared to the prior year period.

For the six months ended June 30, 2017, general and administrative expense was \$678, a decrease of \$664, or 49%, compared to general and administrative expense of \$1,342 in the prior year period. The decrease was primarily due to the same factors discussed for the three-month period ended June 30, 2017.

***Other Income and Expense***

For the three and six months ended June 30, 2017, other income was \$74 and \$73, respectively, an increase of \$90 and \$86, respectively, compared to other expense of \$16 and 13 for the three and six months ended June 30, 2016, respectively. The increases are due to the abatement of an accrual for a late filing fee from the Internal Revenue Service of \$30 and the collection of accounts receivable reserved for in the prior year of \$44.

For the three months ended June 30, 2017, interest expense was \$21, a decrease of \$47, or 69% compared to interest expense of \$68 in the prior year period. For the six months ended June 30, 2017, interest expense was \$42, a decrease of \$137, or 77%, compared to interest expense of \$179 in the prior year period. The decrease in interest expense is primarily due to the lower amount of debt resulting from the conversion of convertible notes and deferred compensation that was outstanding for the first five months of 2016, and converted into shares of Common Stock on May 19, 2016.

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For the three and six-months ended June 30, 2017, the Company recorded a gain on sale of the source code and rights to one of the Company's older toolkit software products, net of related costs, of \$239. The purchaser granted the Company a fully-paid, royalty-free, worldwide, irrevocable license to use the software to support current and existing customers and partners of the Company. The Company did not retain the right to distribute the software either as a source code or as an object code. However, the Company retained the right to create new non-toolkit software from the original source code and to market, sell and distribute the new non-toolkit software in the ordinary course of business to its customers and partners.

For the three months ended June 30, 2017, the gain on derivative liability was \$0, a decrease of \$149, compared to the gain on derivative liability of \$149 in the prior year period. For the six months ended June 30, 2017, the gain on derivative liability was \$0, a decrease of \$174, compared to a gain on derivative liability of \$174 in the prior year period. The decrease in the gain on derivative liability was primarily due to the conversion of \$1,068 of short-term debt in conjunction with the public offering and extinguishment of the related derivative liability in May 2016.

For the six months ended June 30, 2017, accretion of the beneficial conversion feature on the Company's Preferred Stock with a conversion price less than the closing market price of the Company's common stock on the issuance date for new issuances of Preferred Stock and for preferred share dividends was \$0, a decrease of \$245, or 100%, compared to \$245 in the prior year period. The decrease is due to the conversion of all classes of Preferred Stock into common Stock on May 19, 2016.

For the three and six months ended June 30, 2017, no dividends in kind on shares of the Company's Series A-1 Preferred Stock, Series B Preferred Stock, Series C Preferred Stock and Series D Preferred Stock were issued due to the conversion of all classes of Preferred Stock into Common Stock on May 19, 2016. For the three and six months ended June 30, 2016, dividends on shares of Preferred Stock were \$459 and \$1,313, respectively.

***Liquidity and Capital Resources***

At June 30, 2017, cash and cash equivalents totaled \$319, compared to cash and cash equivalents of \$389 at December 31, 2016. The decrease in cash was primarily due to net cash used in operating activities of \$812 and the acquisition of property and equipment of \$2. The use of cash was partially offset by the proceeds from the issuance of \$505 in long-term debt during the six-month period and the \$239 in proceeds from the sale of intangible assets during the three months ended June 30, 2017. At June 30, 2017, total current assets were \$526, compared to total current assets of \$582 at December 31, 2016. At June 30, 2017, the Company's principal sources of funds included its aggregated cash and cash equivalents of \$319.

At June 30, 2017, accounts receivable net, was \$183, an increase of \$46, or 34%, compared to accounts receivable net of \$137 at December 31, 2016. The increase is due primarily to the timing of billings during the three months ended June 30, 2017.

At June 30, 2017, prepaid expenses and other current assets were \$24, a decrease of \$32, or 57%, compared to prepaid expenses and other current assets of \$56 at December 31, 2016. The decrease is due primarily to the expensing of prepaid director and officer insurance premiums during the six-month period. At June 30, 2017, total current liabilities were \$2,437, an increase of \$45, or 2%, compared to total current liabilities of \$2,392 at December 31, 2016. At June 30, 2017, accounts payable was \$1,316, a decrease of \$52, or 4%, compared to accounts payable of \$1,368 at December 31, 2016. At June 30, 2017, accrued compensation was \$255, a decrease of \$2, or 1%, compared to accrued compensation of \$257 at December 31, 2016. The decreases are due primarily to cost saving measures put in place by the Company. Other accrued liabilities were \$559, an increase of \$54, or 11%, from \$505 at December 31, 2016 due to the accrual of additional deferred professional services.

At June 30, 2017, current deferred revenue as of June 30, 2017 was \$303, an increase of \$45, or 17%, compared to current deferred revenue of \$258 at December 31, 2016. Deferred revenue primarily reflects advance payments for maintenance fees from the Company's licensees that are generally recognized as revenue by the Company when all obligations are met or over the term of the maintenance agreement, whichever is longer. Deferred revenue is recorded when the Company receives advance payment from its customers.



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In February 2017, the Company received, from investors and affiliates of the Company, advances aggregating \$120 in cash against certain accounts receivable of the Company. Upon collection of an invoice, the Company would repay the advance to the lenders on a pro rata basis together with a 5% advance fee. The Company used the funds received from the above advances for working capital and general corporate purposes. The receivables were collected and the advances were repaid in March 2017, along with \$6 in advance fees per the agreement.

In May 2017, the Company issued long-term secured convertible promissory notes to investors and affiliates of the Company aggregating \$505 in cash. In addition, certain investors and affiliates of the Company that had taken part in the November 2016 financing discussed above and that also participated in the May 2017 financing, exchanged \$250 of unsecured convertible promissory notes received in the November 2016 financing for \$250 of the same secured notes issued in the May 2017 financing. The secured notes are mandatorily convertible into Common Stock at a conversion rate of the lesser of \$.50 per share or the price per share of Common Stock, upon closing a new financing of at least \$1,000 in aggregate proceeds. The secured notes bear interest at the rate of 10% per annum, are due December 31, 2018 and are secured by an interest in all the Company's right, title and interest in, to and under its intellectual property. Should the secured notes remain outstanding following the maturity date an additional 30% of the note's principal amount shall become due and payable.

The Company is using the funds received from the above financing for working capital and general corporate purposes.

The Company recorded \$24 and \$48 in debt discount amortization for the three and six months ended June 30, 2017, respectively, related to the 2016 debt financings.

The Company incurred \$21 and \$42, respectively, of interest expense for the three and six months ended June 30, 2017, of which \$1 and \$8, respectively were paid in cash.

The Company had the following material commitments as of June 30, 2017:

| Contractual obligations         | Total         | 2017         | 2018          | 2019         | Thereafter  |
|---------------------------------|---------------|--------------|---------------|--------------|-------------|
| Operating lease commitments (1) | \$ 238        | \$ 50        | \$ 101        | \$ 87        | \$ —        |
| Capital lease commitments       | 17            | 3            | 6             | 6            | 2           |
|                                 | <u>\$ 255</u> | <u>\$ 53</u> | <u>\$ 107</u> | <u>\$ 93</u> | <u>\$ 2</u> |

- In November 2016, the Company moved its principal facilities to San Jose, California, pursuant to a lease that expires in 2019. In addition to monthly rent, the facilities are subject to additional rental payments for utilities and other costs above the base amount.

The Company has experienced recurring losses from operations that raise a substantial doubt about its ability to continue as a going concern. There can be no assurance that the Company will have adequate capital resources to fund planned operations or that any additional funds will be available to it when needed, or if available, will be available on favorable terms or in amounts required by it. If the Company is unable to obtain adequate capital resources to fund operations, it may be required to delay, scale back or eliminate some or all of its operations, which may have a material adverse effect on the Company's business, results of operations and ability to operate as a going concern.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

**Interest Rate Risk**

The Company did not enter into any short-term security investments during the three and six months ended June 30, 2017.

**Foreign Currency Risk**

From time to time, the Company makes certain capital equipment or other purchases denominated in foreign currencies. As a result, the Company's cash flows and earnings are exposed to fluctuations in interest rates and foreign currency exchange rates. The Company attempts to limit these exposures through operational strategies and generally has not hedged currency exposures. During the three and six months ended June 30, 2016 and 2015, foreign currency translation gains and losses were insignificant.

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Item 4. Controls and Procedures.

Disclosure Controls and Procedures

As of the end of the period covered by this report, we conducted an evaluation under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of our disclosure controls and procedures pursuant to paragraph (b) of Rule 13a-15 and 15d-15 under the Exchange Act of 1934 (the "Exchange Act"). Based on that evaluation our Chief Executive Officer and Chief Financial Officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective to ensure that the information required to be disclosed in reports we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosures.

Our management, including our Chief Executive Officer and Chief Financial Officer, do not expect that our disclosure controls and procedures will prevent all errors or fraud. A control procedure, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control procedures are met. Because of the inherent limitations in all control procedures, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The Company considered these limitations during the development of its disclosure controls and procedures, and will continually reevaluate them to ensure they provide reasonable assurance that such controls and procedures are effective.

Changes in Internal Control over Financial Reporting

There has been no change in our internal control over financial reporting during the quarter ended June 30, 2017 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Part II-Other Information

Item 1. Legal Proceedings.

None.

Item 1A. Risk Factors

Not applicable.

Item 2. Unregistered Sale of Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures

Not applicable

Item 5. Other Information.

None.

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Item 6. Exhibits.

(a) Exhibits.

| Exhibit Number | Document   |
|----------------|--|
| 3.1            | Certificate of Incorporation of the Company, as amended, incorporated herein by reference to Exhibits 3.1, 3.2, 3.3 and 3.4 to the Company's Registration Statement on Form 10 (File No. 0-19301).   |
| 3.2            | Certificate of Amendment to the Company's Certificate of Incorporation (authorizing the reclassification of the Class A Common Stock and Class B Common Stock into one class of Common Stock) as filed with the Delaware Secretary of State's office on November 1, 1991, incorporated herein by reference to Exhibit 3 to Amendment 1 on Form 8 to the Company's Form 8-A (File No. 0-19301). |
| 3.3            | By-laws of the Company adopted on October 6, 1986, incorporated herein by reference to Exhibit 3.5 to the Company's Registration Statement on Form 10 (File No. 0-19301).  |
| 3.4            | By-laws of the Company adopted on October 6, 1986, incorporated herein by reference to Exhibit 3.5 to the Company's Registration Statement on Form 10 (File No. 0-19301).  |
| 3.5            | <a href="#">Certificate of Amendment to the Company's Amended and Restated Certificate of Incorporation dated January 24, 2001, incorporated herein by reference to Exhibit 3.5 to the Company's Registration Statement on Form S/1, filed December 28, 2007.</a>  |
| 3.6            | <a href="#">Certificate of Elimination of the Company's Certificate of Designation of the Series A Preferred Stock dated August 17, 2001, incorporated herein by reference to Exhibit 3.6 to the Company's Registration Statement on Form S/1, filed December 28, 2007.</a>  |
| 3.7            | <a href="#">Certificate of Amendment to the Company's Amended and Restated Certificate of Incorporation filed with the Delaware Secretary of State August 17, 2007, incorporated herein by reference to Exhibit 3.7 to the Company's Registration Statement on Form S/1 filed on December 28, 2007.</a>  |
| 3.8            | <a href="#">Amended and Restated Certificate of Incorporation of the Company filed with the Delaware Secretary of State on May 18, 1995, incorporated herein by reference to Exhibit 3.2 to the Company's Quarterly Report on Form 10-Q filed on August 14, 2008.</a>  |
| 3.9            | <a href="#">Certificate of Designations, Powers, Preferences and Rights of the Series A Cumulative Convertible Preferred Stock filed with the Delaware Secretary of State on June 4, 2008, incorporated herein by reference to Exhibit 4.23 to the Company's Quarterly Report on Form 10-Q filed on August 14, 2008.</a>   |
| 3.10           | <a href="#">Certificate of Amendment to the Company's Amended and Restated Certificate of Incorporation filed with the Delaware Secretary of State on June 30, 2008, incorporated herein by reference to Exhibit 3.7 to the Company's Quarterly Report on Form 10-Q filed on August 14, 2008.</a>  |
| 3.11           | <a href="#">Certificate of Designations, Powers, Preferences and Rights of the Series A-1 Cumulative Convertible Preferred Stock filed with the Delaware Secretary of State on October 30, 2008, incorporated herein by reference to Exhibit 3.11 to the Company's Annual Report on Form 10-K filed on March 12, 2009.</a>   |
| 3.12           | <a href="#">Certificate of Elimination of the Company's Series A Cumulative Convertible Preferred Stock filed with the Delaware Secretary of State on December 30, 2008, incorporated herein by reference to Exhibit 3.12 to the Company's Annual Report on Form 10-K filed on March 12, 2009.</a>   |
| 3.13           | <a href="#">Certificate of Amendment to the Company's Amended and Restated Certificate of Incorporation filed with the Delaware Secretary of State on June 30, 2009, incorporated herein by reference to Exhibit 3.13 to the Company's Quarterly Report on Form 10-Q filed on August 14, 2009.</a>   |
| 3.14           | <a href="#">Amendment No. 1 to By-laws dated June 17, 2010, incorporated herein by reference to Exhibit 3.14 to the Company's Quarterly Report on Form 10-Q filed on August 16, 2010.</a>  |
| 3.15           | <a href="#">Certificate of Amendment to the Company's Amended and Restated Certificate of Incorporation filed with the Delaware Secretary of State on August 4, 2010, incorporated herein by reference to Exhibit 3.15 to the Company's Quarterly Report on Form 10-Q filed on November 12, 2010.</a>  |
| 3.16           | <a href="#">Amended and Restated Certificate of Designation of Series A-1 Cumulative Convertible Preferred Stock filed with the Delaware Secretary of State on August 4, 2010, incorporated herein by reference to Exhibit 3.16 to the Company's Quarterly Report on Form 10-Q filed on November 12, 2010.</a>   |

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| Exhibit Number | Document   |
|----------------|--|
| 3.17           | <a href="#">Certificate of Designation of Series B Participating Convertible Preferred Stock filed with the Delaware Secretary of State on August 4, 2010, incorporated herein by reference to Exhibit 3.17 to the Company's Quarterly Report on Form 10-Q filed on November 12, 2010.</a>   |
| 3.18           | <a href="#">Certificate of Amendment to Amended And Restated Certificate of Incorporation filed with the Delaware Secretary of State on December 31, 2010, incorporated herein by reference to Exhibit 3.18 to the Company's Annual Report on Form 10-K filed on March 30, 2011.</a>   |
| 3.19           | <a href="#">Second Amended and Restated Certificate of Designation of Series A-1 Cumulative Convertible Preferred Stock filed with the Delaware Secretary of State on December 31, 2010, incorporated herein by reference to Exhibit 3.19 to the Company's Annual Report on Form 10-K filed on March 30, 2011.</a>   |
| 3.20           | <a href="#">Second Amended and Restated Certificate of Designation of Series B Participating Convertible Preferred Stock filed with the Delaware Secretary of State on December 31, 2010, incorporated herein by reference to Exhibit 3.20 to the Company's Annual Report on Form 10-K filed on March 30, 2011.</a>  |
| 3.21           | <a href="#">Certificate of Designation of Series C Participating Convertible Preferred Stock filed with the Delaware Secretary of State on December 31, 2010, incorporated herein by reference to Exhibit 3.21 to the Company's Annual Report on Form 10-K filed on March 30, 2011.</a>  |
| 3.22           | <a href="#">Amendment to the Amended And Restated Certificate of Designation of the Series B Participating Convertible Preferred Stock, incorporated herein by reference to Exhibit 10.59 to the Company's Current Report on Form 8-K filed March 31, 2011.</a>  |
| 3.23           | <a href="#">Amendment to the Amended And Restated Certificate of Designation of the Series C Participating Convertible Preferred Stock, incorporated herein by reference to Exhibit 10.60 to the Company's Current Report on Form 8-K filed March 31, 2011.</a>  |
| 3.24           | <a href="#">Certificate of Amendment to Amended and Restated Certificate of Incorporation filed with the Delaware Secretary of State on November 13, 2012, incorporated herein by reference to Appendix A to the Company's Definitive Proxy Statement filed on Schedule 14A on October 22, 2012.</a>   |
| 3.25           | <a href="#">Third Amended and Restated Certificate of Designation of Series A-1 Cumulative Convertible Preferred Stock filed with the Delaware Secretary of State on November 13, 2012, incorporated herein by reference to Exhibit 3.25 to the Company's Form 10-K filed March 31, 2014.</a>  |
| 3.26           | <a href="#">Second Amended and Restated Certificate of Designation of Series B Participating Convertible Preferred Stock filed with the Delaware Secretary of State on November 13, 2012, incorporated herein by reference to Exhibit 3.26 to the Company's Form 10-K filed March 31, 2014.</a>  |
| 3.27           | <a href="#">Amended and Restated Certificate of Designation of Series C Participating Convertible Preferred Stock filed with the Delaware Secretary of State on November 13, 2012, incorporated herein by reference to Exhibit 3.27 to the Company's Form 10-K filed March 31, 2014.</a>   |
| 3.28           | <a href="#">Certificate of Designation of Series D Convertible Preferred Stock filed with the Delaware Secretary of State on November 13, 2012, incorporated herein by reference to Exhibit 3.28 to the Company's Form 10-K filed March 31, 2014.</a>  |
| 3.29           | <a href="#">Certificate of Amendment to Amended and Restated Certificate of Incorporation filed with the Delaware Secretary of State on December 10, 2013, incorporated herein by reference to Appendix A to the Company's Definitive Proxy Statement filed on Schedule 14A on November 1, 2013.</a>   |
| 3.30           | <a href="#">Certificate of Amendment to Certificate of Designation of Series D Convertible Preferred Stock filed with the Delaware Secretary of State on December 31, 2013, incorporated herein by reference to Exhibit 3.30 to the Company's Form 10-K filed March 31, 2014.</a>  |
| 3.31           | <a href="#">Certificate of Amendment to Amended and Restated Certificate of Incorporation filed with the Delaware Secretary of State on December 16, 2014, incorporate herein by reference to Appendix A to the Company's Definitive Proxy Statement filed on Schedule 14A on October 17, 2014.</a>  |
| 3.32           | <a href="#">Certificate of Amendment to Certificate of Designation of Series D Convertible Preferred Stock filed with the Delaware Secretary of State on March 24, 2015, incorporated herein by reference to Exhibit 3.32 to the Company's Quarterly Report on Form 10-Q filed May 15, 2015.</a>   |
| 3.33           | <a href="#">Certificate of Amendment to the Company's Third Amended and Restated Certificate of Designation of Series A-1 Cumulative Convertible Preferred Stock filed with Secretary of State of the State of Delaware on May 18, 2016, incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed May 19, 2016.</a> |

**iSign Solutions Inc.**  
**FORM 10-Q**  
**(In thousands, except per share amounts)**

| Exhibit Number | Document   |
|----------------|--|
| 3.34           | <a href="#">Certificate of Amendment to the Company's Second Amended and Restated Certificate of Designation of Series B Participating Convertible Preferred Stock filed with Secretary of State of the State of Delaware on May 18, 2016, incorporated herein by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed May 19, 2016.</a> |
| 3.35           | <a href="#">Certificate of Amendment to the Company's Amended and Restated Certificate of Designation of Series C Participating Convertible Preferred Stock filed with Secretary of State of the State of Delaware on May 18, 2016, incorporated herein by reference to Exhibit 3.3 to the Company's Current Report on Form 8-K filed May 19, 2016.</a>        |
| 3.36           | <a href="#">Certificate of Amendment to the Company's Certificate of Designation of Series D Convertible Preferred Stock filed with Secretary of State of the State of Delaware on May 18, 2016, incorporated herein by reference to Exhibit 3.4 to the Company's Current Report on Form 8-K filed May 19, 2016.</a>   |
| 3.37           | <a href="#">Certificate of Amendment to the Company's Certificate of Designation of Series D Convertible Preferred Stock filed with Secretary of State of the State of Delaware on May 18, 2016, incorporated herein by reference to Exhibit 3.5 to the Company's Current Report on Form 8-K filed May 19, 2016.</a>   |
| 10.59          | <a href="#">Amendment to the Amended And Restated Certificate of Designation of the Series B Participating Convertible Preferred Stock, incorporated herein by reference to Exhibit 10.59 to the Company's Current Report on Form 8-K filed March 31, 2011.</a>  |
| 10.60          | <a href="#">Amendment to the Amended And Restated Certificate of Designation of the Series C Participating Convertible Preferred Stock, incorporated herein by reference to Exhibit 10.60 to the Company's Current Report on Form 8-K filed March 31, 2011.</a>  |
| 10.61          | <a href="#">Form Of Subscription Agreement, incorporated herein by reference to Exhibit 10.61 to the Company's Current Report on Form 8-K filed on April 4, 2011.</a>  |
| 10.62          | <a href="#">Amendment No. 1 to the Registration Rights Agreement dated March 31, 2011, incorporated herein by reference to Exhibit 10.62 to the Company's Current Report on Form 8-K filed on April 4, 2011</a>  |
| 10.63          | <a href="#">Note and Warrant Purchase Agreement dated April 23, 2012, incorporated herein by reference to Exhibit 10.63 to the Company's Quarterly Report on Form 10-Q filed on August 14, 2012.</a>   |
| 10.64          | <a href="#">Form of Subscription Agreement dated September 14, 2012, incorporated herein by reference to Exhibit 10.64 to the Company's Quarterly Report on Form 10-Q filed on November 14, 2012.</a>  |
| 10.65          | <a href="#">Form of Unsecured Convertible Promissory Note dated September 14, 2012, incorporated herein by reference to Exhibit 10.65 to the Company's Quarterly Report on Form 10-Q filed on November 14, 2012.</a>   |
| 10.66          | <a href="#">Form of Subscription Agreement dated May 17, 2013, incorporated herein by reference to Exhibit 10.66 to the Company's Quarterly Report on Form 10-Q filed on August 14, 2013.</a>  |
| 10.67          | <a href="#">Form of Subscription Agreement dated December 31, 2013, incorporated herein by reference to Exhibit 10.67 to the Company's Form 10-K filed March 31, 2014.</a>   |
| 10.68          | <a href="#">Credit Agreement with Venture Champion Asia Limited dated May 6, 2014, incorporated herein by reference to Exhibit 10.68 to the Company's Form 10-Q filed August 15, 2014.</a>   |
| 10.69          | <a href="#">Form of Subscription Agreement dated August 5, 2014, incorporated herein by reference to Exhibit 10.69 to the Company's Form 10-K filed March 31, 2015.</a>  |
| 10.70          | <a href="#">Form of Subscription Agreement dated March 24, 2015, incorporated herein by reference to Exhibit 10.70 to the Company's Quarterly Report on Form 10-Q filed May 15, 2015.</a>  |
| 10.71          | <a href="#">Form of Subscription Agreement dated July 23, 2015, incorporated herein by reference to Exhibit 10.71 to the Company's Quarterly Report on Form 10-Q filed November 16, 2015.</a>  |

**iSign Solutions Inc.**  
**FORM 10-Q**  
**(In thousands, except per share amounts)**

| Exhibit<br>Number | Document   |
|-------------------|--|
| *10.72            | <a href="#">Note and Warrant Purchase Agreement dated November 3, 2016, filed herewith.</a>  |
| *10.73            | <a href="#">Form of Unsecured Convertible Promissory Note dated November 3, 2016, filed herewith.</a>  |
| *10.74            | <a href="#">Note Purchase Agreement dated May 23, 2017, filed herewith.</a>  |
| *10.75            | <a href="#">Form of Secured Convertible Promissory Note dated May 23, 2017, filed herewith.</a>  |
| *31.1             | <a href="#">Certification of Company's Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>                                   |
| *31.2             | <a href="#">Certificate of Company's Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>                                     |
| *32.1             | <a href="#">Certification of Chief Executive Officer pursuant to 18 USC Section 1750, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a> |
| *32.2             | <a href="#">Certification of Chief Financial Officer pursuant to 18 USC Section 1750, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a> |

\* Filed herewith.

**iSign Solutions Inc.**  
**FORM 10-Q**  
**(In thousands, except per share amounts)**

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

\_\_\_\_\_  
iSign Solutions Inc.

Registrant

\_\_\_\_\_  
August 14, 2017

Date

\_\_\_\_\_  
/s/ Andrea Goren

Andrea Goren

(Principal Financial Officer and Officer Duly Authorized to Sign on  
Behalf of the Registrant)

**iSIGN SOLUTIONS INC.**

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**NOTE AND WARRANT PURCHASE AGREEMENT**

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**Dated as of**

\_\_\_\_\_, 2016

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## ISIGN SOLUTIONS INC.

## NOTE AND WARRANT PURCHASE AGREEMENT

THIS NOTE PURCHASE AGREEMENT (the “**Agreement**”) is dated as of \_\_\_\_\_, 2016, by and among ISIGN SOLUTIONS INC., a Delaware corporation (the “**Company**”), and the purchasers listed on **Schedule A** attached hereto, each of which is herein referred to as an “**Initial Purchaser**” and the purchasers listed from time to time on **Schedule B** attached hereto, each of which is herein referred to as an “**Additional Purchaser**” and, collectively, as the “**Purchasers**”).

## WITNESSETH:

WHEREAS, subject to the terms and conditions set forth herein, the Company desires to issue and sell to each Initial Purchaser on the Initial Closing Date (as defined below) (i) an unsecured convertible promissory note (each an “**Initial Closing Note**” and, collectively, the “**Initial Closing Notes**”) and (ii) a warrant (each an “**Initial Closing Warrant**,” and, collectively, the “**Initial Closing Warrants**”) to purchase such number of shares of Common Stock of the Company as determined by dividing (x) 50% of the aggregate principal amount of the Initial Closing Note purchased by such Initial Purchaser, by (y) the exercise price of \$1.625 per share (the “**Warrant Exercise Price**”), and the Initial Purchasers desire to purchase the Initial Closing Notes and the Initial Closing Warrants from the Company on the terms and conditions set forth herein; provided, however, that the aggregate original principal amount of Initial Closing Notes issued and sold at the Initial Closing shall not be less than \$500,000;

WHEREAS, subject to the terms and conditions set forth herein, the Company desires to issue and sell to each Additional Purchaser on the applicable Subsequent Closing Date (as defined below) (i) an unsecured convertible promissory note (each, an “**Additional Note**” and, collectively, the “**Additional Notes**” and, together with the Initial Closing Notes, the “**Notes**”) and (ii) a warrant (each an “**Additional Warrant**,” and, collectively, the “**Additional Warrants**” and, together with the Initial Closing Warrants, the “**Warrants**”) to purchase such number of shares of Common Stock of the Company as determined by dividing (x) 50% of the aggregate principal amount of the Additional Note purchased by such Additional Purchaser, by (y) the Warrant Exercise Price, and the Additional Purchasers desire to purchase such Additional Notes and Additional Warrants from the Company on the terms and conditions set forth herein; provided, however, that the aggregate original principal amount of Notes that the Company may sell pursuant to this Agreement shall not be more than \$2,000,000; and

WHEREAS, the board of directors of the Company (the “**Board**”) and the special committee of the Board (the “**Special Committee**”) have approved the execution and delivery of this Agreement, the Notes and all ancillary agreements related hereto, and the transactions contemplated hereby.

NOW, THEREFORE, in consideration of the premises and agreements contained in this Agreement, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Purchase and Sale of the Notes and Warrants.

1.1 Authorization of Issuance of the Notes and Warrants.

(a) Subject to the terms and conditions of this Agreement, on or prior to the Initial Closing Date, the Company shall have authorized the issuance and sale to the Initial Purchasers of (a) the Initial Closing Notes in the form attached hereto as **Exhibit A** and (b) the Initial Closing Warrants in the form attached hereto as **Exhibit B**.

(b) Subject to the terms and conditions of this Agreement, on or prior to any Subsequent Closing Date, the Company shall have authorized the issuance and sale to the Additional Purchasers of (a) all Additional Notes to be issued at any Subsequent Closing (as defined below) in the form attached hereto as **Exhibit A** and (b) all Additional Warrants to be issued at any Subsequent Closing in the form attached hereto as **Exhibit B**.

1.2 Purchase and Sale of the Initial Closing Notes and Initial Closing Warrants. Subject to the terms and conditions of this Agreement, each Initial Purchaser, severally and not jointly, hereby agrees to purchase at the Initial Closing (as defined below), and the Company hereby agrees to issue and sell to such Initial Purchaser at the Initial Closing, (i) an Initial Closing Note, dated as of the date of the Initial Closing Date, in the aggregate original principal amount equal to the dollar amount set forth opposite such Initial Purchaser's name under the heading "Initial Closing Principal Amount" on **Schedule A** hereto and (ii) an Initial Closing Warrant to purchase shares of Common Stock of the Company as set forth opposite such Initial Purchaser's name under the heading "Initial Closing Warrant Shares" on **Schedule A** hereto, in exchange for cash (or such other consideration permitted by Section 1.6) in the amount set forth opposite such Initial Purchaser's name under the heading "Initial Closing Principal Amount" on **Schedule A**.

1.3 Purchase and Sale of Additional Notes and Additional Warrants. At any time and from time to time, one or more Additional Purchasers may purchase at one or more Subsequent Closings, Additional Notes and Additional Warrants, the aggregate purchase price of which, together with the aggregate purchase price of the Initial Closing Notes and the Initial Closing Warrants, shall not exceed \$2,000,000. Subject to the terms and conditions of this Agreement, each Additional Purchaser, severally and not jointly, hereby agrees to purchase at the applicable Subsequent Closing, and the Company hereby agrees to issue and sell to such Additional Purchaser at the applicable Subsequent Closing, (i) an Additional Note, dated as of the date of the applicable Subsequent Closing Date, in the aggregate original principal amount equal to the dollar amount set forth opposite such Additional Purchaser's name under the heading "Subsequent Closing Principal Amount" on **Schedule B** hereto and (ii) an Additional Warrant to purchase shares of Common Stock of the Company as set forth opposite such Additional Purchaser's name under the heading "Subsequent Closing Warrant Shares" on **Schedule B** hereto, in exchange for cash in the amount set forth opposite such Additional Purchaser's name under the heading "Subsequent Closing Principal Amount" on **Schedule B**. **Schedule B** attached hereto shall be amended from time to time concurrent with each Subsequent Closing to include the names of the Additional Purchasers purchasing Additional Notes and Additional Warrants at such Subsequent Closing, as well as the purchase price of the Additional Notes and Additional Warrants.

1.4 Use of Proceeds. The Company agrees to use the net proceeds from the sale and issuance of the Notes and Warrants pursuant to this Agreement for working capital and general corporate purposes.

1.5 **Initial Closing.** The purchase and sale of the Initial Closing Notes and Initial Closing Warrants will take place at the offices of Pillsbury Winthrop Shaw Pittman LLP, 1540 Broadway, New York, New York 10036 on the date hereof, or at such other time and place the Company and a majority-in-interest of the Initial Purchasers shall mutually agree, either orally or in writing (which time and place are designated as the “**Initial Closing**”). The date of the Initial Closing is referred to herein as the “**Initial Closing Date**.”

1.6 **Delivery.** At the Initial Closing, the Company will deliver to each Initial Purchaser (a) an Initial Closing Note in the aggregate original principal amount equal to the dollar amount set forth opposite such Initial Purchaser’s name under the heading “Initial Closing Principal Amount” on **Schedule A** attached hereto, (b) an Initial Closing Warrant to purchase shares of Commons Stock of the Company as set forth opposite such Initial Purchaser’s name under the heading “Initial Closing Warrant Shares” on **Schedule A** attached hereto and (c) this Agreement, executed by the Company and the Initial Purchasers. At the Initial Closing, each Initial Purchaser shall deliver to the Company the amount set forth opposite such Initial Purchaser’s name under the heading “Initial Closing Principal Amount” on **Schedule A** hereto by any combination of (i) bank check, (ii) personal check, (iii) wire transfer of immediately available funds to such account as the Company designates or (iv) if applicable, surrender to the Company for exchange on a dollar for dollar, principal amount for principal amount basis, in whole but not in part, one or more unsecured demand promissory notes of the Company previously issued (and outstanding immediately prior to giving effect to the Initial Closing) (the “**Existing Notes**”), and this Agreement, executed by such Initial Purchaser. Each Initial Purchaser surrendering an Existing Note pursuant hereto (a) shall receive cash for accrued and unpaid interest on the principal amount of the Existing Note as of the Initial Closing Date and (b) hereby acknowledges and agrees that, notwithstanding any provisions of the Existing Note, the Existing Note tendered to the Company for exchange is automatically cancelled as of the Initial Closing Date.

1.7 **Subsequent Closings.** Subsequent Closings shall take place at the offices of Pillsbury Winthrop Shaw Pittman LLP, 1540 Broadway, New York, New York 10036, on such date and at such time as the Company shall determine (each, a “**Subsequent Closing**” and, collectively, the “**Subsequent Closings**” and, together with the Initial Closing, individually, a “**Closing**” and, collectively, the “**Closings**”). The date of each applicable Subsequent Closing is referred to herein as a “**Subsequent Closing Date**.” At each Subsequent Closing, the Company shall deliver to each Additional Purchaser (a) an Additional Note, dated as of such applicable Subsequent Closing Date, in an aggregate original principal amount equal to the dollar amount set forth opposite such Additional Purchaser’s name under the heading “Subsequent Closing Principal Amount” on **Schedule B** hereto, (b) an Additional Warrant to purchase shares of Common Stock of the Company as set forth opposite such Additional Purchaser’s name under the heading “Subsequent Closing Warrant Shares” on **Schedule B** attached hereto and (c) this Agreement, executed by the Company and the Additional Purchasers. The Company shall update **Schedule B** from time to time as necessary upon each Subsequent Closing. At each Subsequent Closing, each Additional Purchaser shall deliver to the Company the amount set forth opposite such Additional Purchaser’s name under the heading “Subsequent Closing Principal Amount” on **Schedule B** hereto, by any combination of (i) bank check, (ii) personal check or (iii) wire transfer of immediately available funds to such account as the Company designates.

2. **Representations and Warranties of the Company.** The Company hereby represents and warrants to the each Purchaser as of the Initial Closing Date and in the case of any Additional Purchasers as of such Subsequent Closing Date as follows:

2.1 **Organization, Standing and Power.** The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware and has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as contemplated to be conducted. The Company is duly qualified to transact business as a foreign corporation and is in good standing in any jurisdiction in which the failure to do so would have a material adverse effect on its business, properties, prospects or condition (financial or otherwise).

2.2 Certificate of Incorporation and Bylaws. The Company has made available to such Purchaser true, correct, and complete copies of the certificate of incorporation of the Company as in effect on the date of this Agreement (the “**Certificate of Incorporation**”) and the Company’s bylaws as in effect on the date of this Agreement (the “**Bylaws**”).

2.3 Power; Authority and Enforceability. The Company has all requisite corporate power and authority to execute and deliver this Agreement, the Notes and the Warrants (each, a “**Transaction Document**” and, collectively, the “**Transaction Documents**”) and to perform fully its obligations hereunder and thereunder. The Company has all requisite corporate power and authority to issue and sell the Notes and the Warrants to the Purchasers hereunder. The execution and delivery of the Transaction Documents and the consummation of the transactions contemplated thereby have been duly authorized by all necessary corporate action on the part of the Company. The Transaction Documents have been duly executed and delivered by the Company and constitute legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors’ rights and remedies generally and subject, as to enforceability, to general principles of equity, regardless of whether enforceability is considered in a proceeding at law or in equity.

2.4 Capitalization.

(a) Immediately prior to the date hereof, the Company is authorized to issue 2,045,000,000 shares of capital stock of which (i) 2,000,000,000 are designated as Common Stock, of which [5,498,246] shares are issued and outstanding and (ii) 45,000,000 are designated as Preferred Stock, of which (A) 2,000,000 are designated as Series A-1 Cumulative Convertible Preferred Stock of the Company of which none are issued and outstanding, (B) 14,000,000 of which are designated as Series B Participating Convertible Preferred Stock of which none are issued and outstanding, (C) 10,000,000 of which are designated as Series C Participating Convertible Preferred Stock of which none are issued and outstanding, (D) 10,000,000 of which are designated as Series D-1 Convertible Preferred Stock of which none are issued and outstanding and (E) 9,000,000 of which are designated as Series D-2 Convertible Preferred Stock of which none are issued and outstanding. Immediately prior to the date of this Agreement, 3,200 shares of Common Stock are reserved for issuance under the Company’s 1999 Stock Option Plan, under which no shares are subject to outstanding options and no further grants will be made; 5,600 shares of Common Stock are reserved for issuance under the Company’s 2009 Stock Compensation Plan, under which 100 shares are subject to outstanding awards and 5,334 shares are available for grant; 120,000 shares of Common Stock are reserved for issuance under the Company’s 2011 Stock Compensation Plan, under which 71,427 shares are subject to outstanding awards and 48,523 shares are available for grant; and no shares are subject to outstanding non-plan awards. An aggregate of 1,755,559 shares of Common Stock are reserved for issuance upon the exercise of warrants and other convertible securities outstanding on the date hereof. Immediately prior to the date of this Agreement, the Company has no other shares of capital stock authorized, issued, outstanding or reserved.

(b) As of the date hereof (and after giving effect to the conversion or exchange of the Existing Notes on the Initial Closing Date), other than as set forth in Section 2.4(a) or the Notes issued under this Agreement, (i) there are no outstanding options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into or exercisable or exchangeable for, any shares of capital stock of the Company, or arrangements by which the Company is or may become bound to issue additional shares of capital stock, nor are any such issuances or arrangements contemplated; (ii) the Company has no obligation (contingent or otherwise) to purchase, redeem or otherwise acquire any of its equity securities or any interests therein or to pay any dividend or make any distribution in respect thereof; and (iii) the Company has not reserved any shares of capital stock for issuance pursuant to any stock option plan or similar arrangement.

2.5 Authorization; Consents. The execution, delivery and performance by the Company of this Agreement and the other Transaction Documents, the sale, issuance and delivery of the Notes and Warrants, and the performance of all of the obligations of the Company under this Agreement and each of the other Transaction Documents have been authorized by the Company's Board and the Special Committee, and no other corporate action on the part of the Company and no other corporate or other approval or authorization is required on the part of the Company or any other individual, corporation, limited liability company, partnership, trust, incorporated or unincorporated organization, joint venture, joint stock company, or a government or any agency or political subdivision thereof or other entity of any kind (each a "**Person**"), by Law or otherwise, in order to make this Agreement and the other Transaction Documents the valid, binding and enforceable obligations (subject to (i) Laws of general application relating to bankruptcy, insolvency, and the relief of debtors, and (ii) rules of Law governing specific performance, injunctive relief, or other equitable remedies) of the Company, as the case may be. "**Law**" shall mean any foreign, federal, state or local law, statute, rule, regulation, ordinance, code, directive, writ, injunction, decree, judgment or order applicable to the Company.

2.6 Absence of Conflicts. The Company is not in violation of or default under any provision of its Certificate of Incorporation or its Bylaws. The execution, delivery, and performance of, and compliance with the Transaction Documents, and the consummation of the transactions contemplated hereby and thereby, have not and will not:

(a) violate, conflict with or result in a breach of any provision of or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, any of the terms, conditions or provisions of the Company's Certificate of Incorporation or its Bylaws or any Material Contract (as defined below); or

(b) violate any Law of any court or federal, state, county or local government or any other governmental, regulatory or administrative agency or authority which is applicable to the Company or any of its assets, properties or businesses.

"**Material Contract**" shall mean any written and oral contract, agreement, deed, mortgage, lease, sublease, license, instrument, note, commitment, commission, undertaking, arrangement or understanding (i) which by its terms involve, or would reasonably be expected to involve, aggregate payments by or to the Company during any 12-month period in excess of \$50,000, (ii) the breach of which by the Company or its subsidiary would be material to the Company or its subsidiary or (iii) which is required to be filed as an exhibit by the Company with the SEC pursuant to Items 601(b)(4) and 601(b)(10) of Regulation S- K promulgated by the SEC.

2.7 Compliance with All Securities Laws; Offering Exemption. Assuming the truth and accuracy of the each Purchaser's representations and warranties set forth in Section 3 hereof, (i) the sale of the Notes and Warrants is exempt from registration under the Securities Act, and will be registered or qualified (or exempt from registration or qualification) under applicable state securities and "blue sky" Laws, as currently in effect, and (ii) the issuance and delivery of the Notes and Warrants, and the shares of Common Stock issuable upon conversion and exercise, respectively, thereof (collectively, the "**Securities**"), as contemplated by this Agreement, does not violate or breach any applicable securities laws.

2.8 Governmental Consents. No consent, approval, qualification, order or authorization of, or filing with, any local, state or federal governmental authority is required on the part of the Company in connection with the Company's valid execution, delivery or performance of this Agreement or the issuance and sale of the Securities, except such filings as have been made prior to the Initial Closing, any notices of sale required to be filed with the Securities and Exchange Commission under Regulation D of the Securities Act of 1933, as amended (the "**Securities Act**"), or such post-closing filings as may be required under applicable state securities laws, which will be timely filed within the applicable periods thereafter.

2.9 SEC Reports; Disclosure. The Company has filed all required forms, reports and documents required to be filed by the Company with the Securities and Exchange Commission (the “**SEC**”) since December 31, 2015, each of which has complied in all material respects with all applicable requirements of the Securities Act and the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and the rules and regulations promulgated thereunder, each as in effect on the date such forms, reports and documents were filed. The Company has made available to each Purchaser, in the form filed with the SEC (including any amendments thereto) its (i) Annual Report on Form 10-K for the year ended December 31, 2015; (ii) Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2016 and June 30, 2016; (iii) Current Reports on Form 8-K dated January 6 and 25, 2016 and May 19, 2016 and (iv) all definitive proxy statements relating to the Company’s meeting of shareholders (whether annual or special) held since December 31, 2015 (collectively, the “**SEC Reports**”). None of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

2.10 Financial Statements. Included in the SEC Reports are the audited financial statements of the Company as at and for the years ended December 31, 2015 and 2014 and the unaudited financial statements of the Company for the fiscal quarters ended March 31, 2016 and June 30, 2016 (the “**Financial Statements**”). The Financial Statements have been prepared in accordance with GAAP and fairly present the financial condition and operating results of the Company and its subsidiary on a consolidated basis as of the dates, and for the periods, indicated therein, except that the unaudited financial statements as at and for the quarters ended March 31, 2016 and June 30, 2016 are subject to normal year-end adjustments and do not contain all notes required under GAAP. As of the date hereof (and after giving effect to the conversion or exchange of the Existing Notes on the Initial Closing Date), the Company has no liabilities, obligations or commitments of any nature (whether accrued, absolute, contingent, unliquidated or otherwise, due or to become due and regardless of when addressed) other than (a) liabilities that have arisen in the ordinary course of business consistent with past practice since the date of the Company’s most recent quarterly report on Form 10-Q; (b) liabilities under the Notes issued pursuant to this Agreement, and (c) obligations to perform after the date hereof any contracts or agreements which have been disclosed or which are not required to be disclosed in the SEC Reports because such contracts and agreements are not material to the Company.

2.11 Disclosure. The Company understands and confirms that such Purchaser will rely on the foregoing representations in purchasing securities of the Company. No representation or warranty by the Company contained in this Agreement contains any untrue statement of a material fact or omits to state a material fact in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. The Company acknowledges and agrees that such Purchaser does not make and has not made any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in Section 3 hereof.

3. Representations and Warranties of each Purchaser. As of the Initial Closing Date or the applicable Subsequent Closing Date, as the case may be, such Purchaser severally and not jointly hereby represents and warrants to the Company that:

3.1 Organization and Qualification. Such Purchaser is duly organized, validly existing and in good standing under the Laws of its jurisdiction of incorporation or organization to carry on its business as it is now being conducted or proposed to be conducted.



3.2 Authorization and Enforceability. Such Purchaser has all requisite corporate power and authority to enter into the Transaction Documents, as applicable. The execution, delivery and performance by such Purchaser of the Transaction Documents to which it is a party, and the performance of all of the obligations of such Purchaser under each of such Transaction Documents have been duly and validly authorized, and no other action, approval or authorization is required on the part of such Purchaser in order to make the Transaction Documents the valid, binding and enforceable obligations (subject to (i) Laws of general application relating to bankruptcy, insolvency, and the relief of debtors, and (ii) rules of Law governing specific performance, injunctive relief, or other equitable remedies) of such Purchaser. The Transaction Documents constitute legal, valid and binding obligations of such Purchaser, enforceable against it in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors' rights and remedies generally and subject, as to enforceability, to general principles of equity, regardless of whether enforceability is considered in a proceeding at law or in equity.

3.3 Purchase Entirely for Own Account. The Securities will be acquired for investment for such Purchaser's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and such Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same. Such Purchaser does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participation in any of the Securities to such person or to any third person.

3.4 Access to Information. Such Purchaser has been given access to the Company and has had an opportunity to ask questions and receive answers from the Company regarding the Company's business, prospects, properties and condition (financial or otherwise) and the terms and conditions of the offering and sale of the Securities. The foregoing, however, does not limit or modify in any respect the representations and warranties of the Company in Section 2 or the right of the Purchasers to rely thereon.

3.5 Investment Experience. Such Purchaser acknowledges that it is able to fend for itself and bear the economic risk of its investment, including the complete loss thereof, and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in the Securities. Such Purchaser has not been organized for the purpose of acquiring the Securities.

3.6 Accredited Investor. Such Purchaser is an "accredited investor" within the meaning of the Securities and Exchange Commission's Rule 501 of Regulation D as promulgated under the Securities Act.

3.7 Restricted Securities. Such Purchaser understands that the Securities it is purchasing are characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the Securities Act only in certain limited circumstances. In this connection, such Purchaser is familiar with Rule 144 under the Securities Act, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act. Such Purchaser understands Rule 144 under the Securities Act is not currently available for the sale of the Securities.

3.8 Legends. It is understood that the certificates evidencing the Securities may bear one or all of the following legends:

(a) "NEITHER THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT, OR (B) IF REASONABLY REQUESTED BY THE COMPANY, AN OPINION OF COUNSEL REASONABLY ACCEPTABLE TO THE COMPANY THAT REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT. THESE SECURITIES AND THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT SECURED BY SUCH SECURITIES."

(b) Any legend required by the laws of any applicable state.

3.9 No General Solicitation. Such Purchaser acknowledges that the Notes and Warrants were not offered to such Purchaser by means of: (a) any advertisement, article, notice or other communication published in any newspaper, magazine or similar medium, or broadcast over television or radio, or (b) any other form of general solicitation or advertising.

4. Conditions to Closing; Covenants of Company.

4.1 Conditions of Purchasers' Obligations at Closing. The obligations of such Purchaser under this Agreement are subject to the fulfillment, on or prior to the date of such Closing, of each of the following conditions, any of which may be waived in whole or in part in writing by such Purchaser:

(a) The representations and warranties made by the Company in Section 2 shall be true and correct when made, and shall be true and correct on and as of the Initial Closing and shall be true and correct in all material respects on and as of any applicable Subsequent Closing Date, the with the same force and effect as if they had been made on and as of the same date.

(b) The Company shall have performed and complied with all agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by it on or prior to the date of such Closing.

(c) No material adverse effect on the Company's business, properties, prospects or condition (financial or otherwise) shall have occurred between the date hereof and such Closing and the President and/or Chief Executive Officer of the Company shall deliver to such Purchaser, if requested, at each such applicable Closing a certificate stating that the conditions specified in Sections 4.1(a), (b) and (c) have been fulfilled.

(d) Except for the notices required or permitted to be filed after the date of such Closing pursuant to applicable federal and state securities laws, the Company shall have obtained all governmental approvals required in connection with the lawful sale and issuance of the Securities.

(e) At such applicable Closing, the sale and issuance by the Company, and the purchase by the Purchaser, of the Securities shall be legally permitted by all laws and regulations to which such Purchaser and/or the Company are subject.

(f) At such applicable Closing, the Company shall have delivered to the Purchaser, if requested, a certificate executed by the Secretary of the Company dated as of the date of such Closing certifying with respect to (i) a copy of the Company's Certificate of Incorporation and its Bylaws in effect on such date and that the Company is not in violation of or default under any provision of its Certificate of Incorporation or Bylaw as of and on the date of the Closing, (ii) resolutions of (A) the Board of the Company and (B) the Special Committee, each authorizing the transactions contemplated by this Agreement and the other Transaction Documents.

4.2 Conditions of Initial Purchasers' Obligations at the Initial Closing. In addition to the conditions set forth in Section 4.1 hereof, the obligations of each Initial Purchaser under Section 1.2 are subject to the satisfaction by the Company on the Initial Closing Date of each of the following condition:

- (a) The Company shall deliver to each Initial Purchaser its respective Initial Closing Note and Initial Closing Warrant.

4.3 Conditions of Additional Purchasers' Obligations at any Applicable Subsequent Closing. In addition to the conditions set forth in Section 4.1 hereof, the obligations of each Additional Purchaser under Section 1.3 are subject to the satisfaction by the Company on each applicable Subsequent Closing Date of the following conditions:

(a) On or before any Subsequent Closing Date, the Company shall deliver to each Additional Purchaser, a supplement to **Schedule B** reflecting the amount of Additional Notes and Additional Warrants that the Company will issue to such Additional Purchaser on such Subsequent Closing Date and the aggregate purchase price therefor.

- (b) The Company shall deliver to the Additional Purchaser such Additional Purchaser's Additional Notes and Additional Warrants.

4.4 Conditions to Obligations of the Company. The Company's obligation to issue and sell the Notes and Warrants at any Closing is subject to the fulfillment, to the Company's reasonable satisfaction, on or prior to the date of such applicable Closing, of the following conditions, any of which may be waived in whole or in part by the Company:

(a) The representations and warranties made by the each Purchaser in Section 3 shall be true and correct when made, and shall be true and correct on the date of such applicable Closing with the same force and effect as if they had been made on and as of the same date.

(b) Each Purchaser shall have delivered to the Company in accordance with Section 1.6 or 1.7, as the case may be, the purchase price for the Notes and Warrants being purchased pursuant hereto on such Closing.

4.5 Reservation of Stock. For so long as the Notes are outstanding and/or the Warrants are exercisable, the Company covenants that it will (i) reserve from its authorized and unissued Common Stock, a sufficient number of shares to provide for the issuance of the Common Stock, upon conversion of the Notes and exercise of the Warrants, and (ii) take all necessary steps, as needed, to amend its Certificate of Incorporation to provide sufficient reserves of shares of Common Stock issuable upon conversion of the Notes and the exercise of the Warrants.

4.6 Restrictions on Certain Indebtedness. For so long as the Notes are outstanding, the Company shall not, nor shall it permit any subsidiary to, directly or indirectly (a) incur any indebtedness for borrowed money that ranks senior or pari passu with the Notes or (b) declare or pay any dividend or interest or make any other payment in respect to any securities (debt or equity) that are subordinate to the Notes, except in the case of clause (a) or (b), with the prior written consent of the Required Holders (as defined herein).

#### 4.7 Participation Rights to Future Issuances.

(a) For so long as the Notes are outstanding, subject to the terms and conditions of this Section 4.7 and applicable securities laws, if the Company proposes to offer or sell any New Securities (as defined below), the Company shall first offer such New Securities to the Purchasers in accordance with the terms hereof.

(b) The Company shall give written notice (the “**Offer Notice**”) to each Purchaser, stating (i) its bona fide intention to offer such New Securities, (ii) the number of such New Securities to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such New Securities.

(c) By notification to the Company within ten (10) days after the Offer Notice is given, each Purchaser may elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, up to that portion of such New Securities which equals the proportion of the principal amount of the Notes purchased by such Purchaser bears to the total principal amount of Notes sold by the Company pursuant to this Agreement (which, for avoidance of doubt, shall be determined by dividing the aggregate original principal amount of Notes purchased by such Purchaser pursuant to the terms of this Agreement by the aggregate original principal amount of Notes issued by the Company to all the Purchasers pursuant to this Agreement).

(d) If all New Securities referred to in the Offer Notice are not elected to be purchased or acquired by the Purchasers as provided in this Section 4.7 then the Company may, during the one hundred eighty (180) day period following the expiration of the period provided in the Offer Notice, offer and sell the remaining unsubscribed portion of such New Securities to any Person or Persons at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice. If the Company does not enter into a definitive agreement for the sale of the New Securities within such 180 day period, or if such transaction is not consummated within sixty (60) days of the expiration of such 180 day period, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Purchasers in accordance with this Section 4.7.

(e) Notwithstanding anything to the contrary, the pro rata participation right provided in this Section 4.7 shall not be applicable to (i) Exempted Securities (as defined below) or (ii) New Securities issued in a public offering pursuant to the Securities Act.

(f) For purposes of this Agreement, the term “**New Securities**” means any equity securities of the Company (including Common Stock), as well as rights, options, or warrants to purchase such equity securities, or securities of any type whatsoever (including evidences of indebtedness) that are, or may become, convertible or exchangeable into or exercisable for such equity securities. For purposes of this Agreement, the term “**Exempted Securities**” means (i) shares of Common Stock, options or convertible securities issued by reason of a dividend, stock split, split-up or other distribution on shares of Common Stock; (ii) shares of common stock or options issued to employees or directors of, or consultants or advisors to, the Company or any of its subsidiaries pursuant to a plan, agreement or arrangement approved by the Board; (iii) shares of Common Stock or convertible securities issued upon the exercise of options or shares of Common Stock issued upon the conversion or exchange of convertible securities, in each case provided such issuance is pursuant to the terms of such option or convertible security; (iv) shares of Common Stock, options or convertible securities issued to banks or other financial institutions or to investment banks pursuant to a financing approved by the Board (including shares underlying any such options or convertible securities); (v) shares of Common Stock, options or convertible securities issued to suppliers or third party service providers in connection with the provision of goods or services pursuant to transactions approved by the Board; (vi) shares of Common Stock, options or convertible securities issued pursuant to the acquisition of another company by the Company by merger, purchase of substantially all of the assets or other reorganization or to a joint venture agreement, provided that such issuances are approved by the Board; or (vii) shares of Common Stock, options or convertible securities issued in connection with a technology license, development agreement or other similar agreement or strategic partnership approved by the Board.

(g) The right of first offer set forth in this Section 4.7 shall terminate with respect to any Purchaser who fails to purchase, in any transaction subject to this Section 4.7, all of such Purchaser's pro rata amount of the New Securities allocated. Following any such termination, such Purchaser shall no longer be deemed a "Purchaser" for any purpose of this Section 4.7.

5. Amendment and Waiver.

5.1 Requirements. The Transaction Documents may be amended, and the observance of any term hereof or thereof may be waived (either retroactively or prospectively), with (and only with) the written consent of the Company and the Required Holders (as defined below), except that no such amendment or waiver may, without the written consent of each Purchaser at the time outstanding affected thereby, (i) reduce the principal amount or interest rate or change the method of computation of interest (including with respect to the amount of cash) in the Notes, (ii) change the percentage of the outstanding principal amount of the Notes required to consent to any such amendment or waiver under this Section 5.1 or (iii) amend this Section 5.1. "**Required Holders**" means at any time, the holders of a majority of the outstanding principal amount of the Notes (exclusive of Notes then owned by the Company), with reference to the aggregate principal amount of the Notes listed for each Purchaser on the schedules of this Agreement.

5.2 Copies of Amendments, Waivers and Consents. The Company will deliver executed or true and correct copies of each amendment, waiver or consent effected pursuant to the provisions of this Section 5 to each Purchaser of outstanding Notes and Warrants promptly following the date on which it is executed and delivered by, or receives the consent or approval of, the requisite Purchasers.

5.3 Binding Effect, Etc. Any amendment or waiver consented to as provided in this Section 5 applies equally to all Purchasers and is binding upon them and upon each Additional Purchaser and upon the Company without regard to whether such Note has been marked to indicate such amendment or waiver. No such amendment or waiver will extend to or affect any obligation, covenant, agreement, Event of Default (as defined in the Notes) not expressly amended or waived or impair any right consequent thereon. No course of dealing between the Company and any Purchaser or any delay in exercising any rights under this Agreement or any Note or Warrant shall operate as a waiver of any rights of any Purchaser. As used herein, the term "Transaction Documents" and references thereto shall mean the Transaction Documents, or any one of them, as they or it may from time to time be amended or supplemented.

5.4 Notes Held by Issuer, Etc. Solely for the purpose of determining whether the requisite percentage of the aggregate principal balance of Notes then outstanding approved or consented to any amendment, waiver or consent to be given under the Transaction Documents, or have directed the taking of any action provided herein or therein to be taken upon the direction of the Purchasers of a specified percentage of the aggregate principal balance of Notes then outstanding, Notes directly or indirectly owned by the Company shall be deemed not to be outstanding.

6. Miscellaneous.

6.1 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflict of laws provisions thereof. Each of the parties hereto hereby irrevocably consents to the exclusive jurisdiction of the courts of the State of Delaware and of any federal court located therein in connection with any suit, action or other proceeding arising out of or relating to the Transaction Documents and waives any objection to venue in the State of Delaware. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction or any such court. Without limiting the foregoing, each party agrees that service of process on such party as provided in Section 6.5 shall be deemed effective service of process on such party.

6.2 Survival. The representations, warranties, covenants and agreements made herein shall survive any investigation made by the Purchasers and the Closings of the transactions contemplated hereby indefinitely.

6.3 Successors and Assigns. The Company may not assign its rights or obligations under the Transaction Documents without the prior written consent of the Purchasers. Subject to the foregoing sentence and the restrictions on transfer described in the Notes and Warrants, the provisions hereof and of the other Transaction Documents shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto and thereto.

6.4 Entire Agreement. This Agreement (including the Schedules and Exhibits attached hereto) and the Notes and Warrants constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof.

6.5 Notices, etc. All notices and other communications required or permitted hereunder shall be effective upon receipt, shall be in writing, and may be delivered in person, by fax, electronic mail, overnight delivery service or United States mail, in which event they may be mailed by first-class, certified or registered, postage prepaid, addressed (a) if to a Purchaser, at such Purchaser's address and electronic mail address as set forth on its signature page hereto, or to such other address or electronic mail address as such Purchaser shall have furnished to the Company in writing, or (b) if to the Company, at its address and electronic mail address set forth on its signature page hereto, or at such other address or electronic mail address as the Company shall have furnished to the parties hereto in writing.

6.6 Severability. If any provision of this Agreement shall be judicially determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

6.7 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall be deemed to constitute one instrument. Any signature page delivered by a fax machine or email shall be binding to the same extent as an original signature page, with regard to any agreement subject to the terms hereof or any amendment thereto. Any party who delivers such a signature page agrees to deliver promptly an original counterpart to each party to whom the faxed or emailed signature page was sent.

6.8 No Joint Venture or Partnership. The relationship between the Company and each Purchaser is a debtor and creditor relationship and not fiduciary in nature, nor is the relationship to be construed as creating any partnership or joint venture between such Purchaser and the Company.

6.9 Expenses. Regardless of whether the Initial Closing or any Subsequent Closing is consummated, except as otherwise expressly provided in the Notes, each party to this Agreement shall bear all reasonable costs, fees and expenses it incurs with respect to the negotiation, execution, delivery and performance of this Agreement and the other Transaction Documents.

6.10 Waiver of Jury Trial. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW WHICH CANNOT BE WAIVED, EACH PURCHASER AND THE COMPANY HEREBY WAIVE, AND COVENANT THAT NEITHER THE COMPANY NOR SUCH PURCHASER WILL ASSERT, ANY RIGHT TO TRIAL BY JURY ON ANY ISSUE IN ANY PROCEEDING, WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE, IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE SUBJECT MATTER HEREOF OR THEREOF OR IN ANY WAY CONNECTED WITH, RELATED OR INCIDENTAL TO THE DEALINGS OF SUCH PURCHASER AND THE COMPANY HEREUNDER OR THEREUNDER, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER IN TORT OR CONTRACT OR OTHERWISE. The Company acknowledges that it has been informed by such Purchaser that the provisions of this Section 6.10 constitute a material inducement upon which such Purchaser is relying and will rely in entering into this Agreement. Such Purchaser or the Company may file an original counterpart or a copy of this Section 6.10 with any court as written evidence of the consent of such Purchaser and the Company to the waiver of the right to trial by jury.

6.11 Further Assurances. At any time or from time to time after any Closing, the Company, on the one hand, and each Purchaser, on the other hand, agree to cooperate with each other, and at the request of the other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby relating to the purchase contemplated herein and to otherwise carry out the intent of the parties hereunder.

6.12 Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power or remedy of such nonbreaching or nondefaulting 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.

6.13 Heading; References. All headings used herein are used for convenience only and shall not be used to construe or interpret this Agreement. Except as otherwise indicated, all references herein to Sections refer to Sections hereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this Note and Warrant Purchase Agreement to be duly executed and delivered by their proper and duly authorized officers.

**COMPANY:**

ISIGN SOLUTIONS INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address: 2025 Gateway Place, Suite 485  
San Jose, California 95110

Email: ir@isignnow.com

[Signature Page to Note and Warrant Purchase Agreement]

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**PURCHASER:**

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Email: \_\_\_\_\_

[Signature Page to Note and Warrant Purchase Agreement]

\_\_\_\_\_

**SCHEDULE A**

| NAME OF INITIAL PURCHASER | INITIAL CLOSING PRINCIPAL AMOUNT | INITIAL CLOSING WARRANT SHARES |
|---------------------------|----------------------------------|--------------------------------|
|                           | \$                               | \$                             |
| <b>Total</b>              | <b>\$</b>                        |                                |

SCHEDULE A

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**SCHEDULE B**

| NAME OF ADDITIONAL PURCHASER | SUBSEQUENT<br>CLOSING<br>PRINCIPAL<br>AMOUNT | SUBSEQUENT<br>CLOSING<br>WARRANT<br>SHARES |
|------------------------------|--|--|
|                              | \$   | \$   |
| <b>Total</b>                 | \$   |  |

SCHEDULE B

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**EXHIBIT A**

**FORM OF UNSECURED CONVERTIBLE PROMISSORY NOTE**

EXHIBIT A

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**EXHIBIT B**  
**FORM OF WARRANT**

EXHIBIT B

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NEITHER THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT, OR (B) IF REASONABLY REQUESTED BY THE COMPANY, AN OPINION OF COUNSEL REASONABLY ACCEPTABLE TO THE COMPANY THAT REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT. THESE SECURITIES AND THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT SECURED BY SUCH SECURITIES.

ISIGN SOLUTIONS INC.

COMMON STOCK PURCHASE WARRANT

Warrant No. \_\_\_\_\_

Dated: \_\_\_\_\_

iSign Solutions Inc., a Delaware corporation (the "**Company**"), hereby certifies that, for value received, \_\_\_\_\_, or his, hers or its registered assigns (the "**Holder**"), is entitled to purchase from the Company up to a total of \_\_\_\_\_ shares of common stock, \$0.01 par value per share (the "**Common Stock**"), of the Company (each such share, a "**Warrant Share**" and all such shares, the "**Warrant Shares**") at an exercise price equal to \$1.625 (as adjusted from time to time as provided in Section 9, the "**Exercise Price**") at any time from October , 2016, and through and including October , 2019 (the "**Expiration Date**"), and subject to the following terms and conditions. This Warrant (this "**Warrant**") is issued pursuant to that certain Note and Warrant Purchase Agreement, dated October \_\_, 2016, between the Company and the Holder.

1. Definitions. In addition to the terms defined elsewhere in this Warrant, capitalized terms that are not otherwise defined herein have the meanings given to such terms in Annex D hereto.
  2. Registration of Warrant. The Company shall register this Warrant, upon records to be maintained by the Company for that purpose (the "**Warrant Register**"), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.
  3. Registration of Transfers. The Company shall register the transfer of any portion of this Warrant in the Warrant Register, upon surrender of this Warrant, with the Form of Assignment attached hereto as Annex A duly completed and signed, to the transfer agent or to the Company at its address specified herein, provided such transfer is made in accordance with all applicable federal and state securities laws. Upon any such registration or transfer, a new warrant to purchase Common Stock, in substantially the form of this Warrant (any such new warrant, a "**New Warrant**"), evidencing the portion of this Warrant so transferred shall be issued to the transferee and a New Warrant evidencing the remaining portion of this Warrant not so transferred, if any, shall be issued to the transferring Holder. The acceptance of the New Warrant by the transferee thereof shall be deemed the acceptance by such transferee of all of the rights and obligations of a holder of a Warrant.
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4. Exercise and Duration of Warrants; Redemption.

(a) General. This Warrant shall be exercisable in whole or in part by the registered Holder at any time from the date hereof and through and including the Expiration Date. At 5:30 p.m. New York City time on the Expiration Date, the portion of this Warrant not exercised prior thereto shall be and become void and of no value.

(b) Redemption of Warrant. Beginning one (1) year from the original date of issuance, the Company shall have the option, subject to the conditions set forth herein, to redeem the Warrant in whole and not in part upon written notice ("**Notice of Redemption**") to the Holder; provided, that at the time of delivery of such Notice of Redemption the last reported sale price of the Company's Common Stock for each of the ten (10) consecutive Trading Days ending three (3) Trading Days prior to the date of the Notice of Redemption is at least 200% of the Exercise Price, as proportionately adjusted to reflect any stock splits, stock dividends, combination of shares or like events. The Notice of Redemption will be effective upon mailing in accordance with this Section and such date may be referred to below as the "**Notice Date.**" Notice of Redemption shall be mailed by first class mail, postage prepaid, by the Company not less than thirty (30) days prior to the date fixed for redemption to the Holder to be redeemed at its last address as it shall appear on the registration books. Any notice mailed in the manner herein provided shall be conclusively presumed to have been duly given whether or not the Holder received such notice.

(c) Redemption Date and Redemption Price. The Notice of Redemption shall state the date set for redemption, which date shall be not less than thirty (30) days, from the Notice Date (the "**Redemption Date**"). The redemption price to be paid to the Holder will be \$0.001 for each share of Common Stock of the Company to which the Holder would then be entitled upon exercise of the Warrant being redeemed, as adjusted from time to time as provided herein (the "**Redemption Price**").

(d) Exercise. Following the Notice Date, the Holder may exercise its Warrant in accordance with Section 4 of this Warrant between the Notice Date and 5:00 p.m. New York City Time on the Redemption Date and such exercise shall be timely if the form of election to purchase is duly executed and the Exercise Price for the shares of Common Stock to be purchased are actually received by the Company at its principal offices prior to 5:00 p.m. New York City Time on the Redemption Date. On and after 5:00 p.m. New York City Time on the Redemption Date, the obligation evidenced by the Warrant not effectively exercised shall be deemed no longer outstanding, and all rights with respect thereto shall forthwith cease and terminate, except only the right of the holder of the Warrant subject to redemption to receive the Redemption Price for each share of Common Stock to which he would be entitled if such Holder exercised the Warrant upon receiving Notice of Redemption of the Warrant subject to redemption held by such Holder.

(e) **Cashless Exercise.** Notwithstanding anything contained in this Warrant to the contrary, but only if a Registration Statement registering the issuance or resale of the Warrant Shares under the Securities Act is not effective or available for the issuance or resale of the Warrant Shares, the Holder may, in its sole discretion, exercise this Warrant in whole or in part and, in lieu of making the cash payment otherwise contemplated to be made to the Company upon such exercise in payment of the Exercise Price, elect instead to receive upon such exercise the “Net Number” of shares of Common Stock determined according to the following formula (a “**Cashless Exercise**”):

$$\text{Net Number} = \frac{(A \times B) - (A \times C)}{B}$$

For purposes of the forgoing formula:

- A = the total number of shares with respect to which this Warrant is then being exercised.
- B = the weighted average price of the shares of Common Stock (as reported by Bloomberg) on the date immediately preceding the Date of Exercise (as defined below).
- C = the Exercise Price then in effect for the applicable Warrant Shares at the time of such exercise.

For purposes of Rule 144 promulgated under the Securities Act, it is intended, understood and acknowledged that the Warrant Shares issued in a cashless exercise transaction shall be deemed to have been acquired by the Holder, and the holding period for the Warrant Shares shall be deemed to have commenced, on the date this Warrant was originally issued.

5. Delivery of Warrant Shares.

(a) Other than as may be required in connection with registration of a transfer of this Warrant, the Holder shall not be required to physically surrender this Warrant unless this Warrant is being exercised in full. To effect exercises hereunder, the Holder shall duly execute and deliver to the Company at its address for notice set forth herein (or to such other address as the Company may designate by notice in writing to the Holder), an Exercise Notice in the form of Annex B hereto, along with the Warrant Share Exercise Log in the form of Annex C hereto, and shall pay the Exercise Price, if applicable, multiplied by the number of Warrant Shares that the Holder intends to purchase hereunder. The Company shall promptly (but in no event later than three (3) Trading Days after the Date of Exercise (as defined herein)) issue or cause to be issued and cause to be delivered to or upon the written order of the Holder a certificate (or book-entry form) for the Warrant Shares issuable upon such exercise. The Company shall, upon request of the Holder, and subsequent to the date, if any, on which a Registration Statement covering the resale of the Warrant Shares has been declared effective by the SEC, use commercially reasonable efforts to deliver Warrant Shares hereunder electronically, through book-entry with the Depository Trust Corporation or another established clearing corporation performing similar functions. A “**Date of Exercise**” for purposes of this Warrant, means the date on which the Holder shall have delivered to the Company: (i) the Exercise Notice (with the Warrant Exercise Log attached to it), appropriately completed and duly signed and (ii) payment of the Exercise Price, if applicable, for the number of Warrant Shares so indicated by the Holder to be purchased. If by the third Trading Day after the Date of Exercise, the Company fails to deliver the required number of Warrant Shares, the Holder will have the right to rescind the exercise.



(b) In the event that a Holder surrenders this Warrant following one or more partial exercises, the Company shall, *provided*, that the applicable number of Warrant Shares related to each such partial exercise has been delivered pursuant to Section 5(a), cancel such surrendered Warrant and issue or cause to be issued to the Holder, at the Company's expense, a new Warrant evidencing the right to purchase the remaining number of Warrant Shares.

(c) The Company's obligations to issue and deliver Warrant Shares in accordance with the terms hereof are absolute and unconditional, irrespective of any action or inaction by the Holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any Person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by the Holder or any other Person of any obligation to the Company or any violation or alleged violation of law by the Holder or any other Person, and irrespective of any other circumstance which might otherwise limit such obligation of the Company to the Holder in connection with the issuance of Warrant Shares. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver certificates (or book-entry form) representing shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

6. Charges, Taxes and Expenses. Issuance and delivery of certificates for Warrant Shares upon exercise of this Warrant shall be made without charge to the Holder for any issue or transfer tax, transfer agent fee or other incidental tax or expense in respect of the issuance of such certificates, all of which taxes and expenses shall be paid by the Company; *provided, however*, that (a) the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the registration of any certificates for Warrant Shares or Warrants in a name other than that of the Holder and (b) Holder shall be responsible for all income and other tax liability that may arise as a result of holding or transferring this Warrant or receiving Warrant Shares upon exercise hereof.

7. Replacement of Warrant. If this Warrant is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation hereof, or in lieu of and substitution for this Warrant, a New Warrant, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction and customary and reasonable indemnity (which shall not include a surety bond), if requested. Applicants for a New Warrant under such circumstances shall also comply with such other reasonable regulations and procedures and pay such other reasonable third-party costs as the Company may prescribe. If a New Warrant is requested as a result of a mutilation of this Warrant, then the Holder shall deliver such mutilated Warrant to the Company as a condition precedent to the Company's obligation to issue the New Warrant.

8. Reservation of Warrant Shares.

(a) The Company covenants that it will at all times reserve and keep available out of the aggregate of its authorized but unissued and otherwise unreserved Common Stock, solely for the purpose of enabling it to issue Warrant Shares upon exercise of this Warrant as herein provided, the number of Warrant Shares that are then issuable and deliverable upon the exercise of this entire Warrant, free from preemptive rights or any other contingent purchase rights of persons other than the Holder (after giving effect to the adjustments and restrictions of Section 9, if any). The Company covenants that all Warrant Shares so issuable and deliverable shall, upon issuance and the payment of the applicable Exercise Price in accordance with the terms hereof, be duly and validly authorized, issued and fully paid and non-assessable. The Company will take all such action as may be necessary to assure that such shares of Common Stock may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of any securities exchange or automated quotation system upon which the Common Stock may be listed. The Company will notify its transfer agent for the Common Stock of the reservation of shares of Common Stock as required under this provision.

(b) Insufficient Authorized Shares. If the Company does not have a sufficient number of authorized and unreserved shares of Common Stock to satisfy its obligation to reserve for issuance upon exercise of this Warrant and Warrants of like tenor at least a number of shares of Common Stock as shall from time to time be necessary to effect the exercise of all of the Warrants of like tenor then outstanding (an "**Authorized Share Failure**"), then the Company shall promptly take all action reasonably necessary to increase the Company's authorized shares of Common Stock to an amount sufficient to allow the Company to reserve the required amount for the Warrants of like tenor then outstanding. Without limiting the generality of the foregoing sentence, as soon as practicable after the date of the occurrence of an Authorized Share Failure, but in no event later than ninety (90) days after the occurrence of such Authorized Share Failure, the Company shall hold a meeting of its stockholders for the approval of an increase in the number of authorized shares of Common Stock. In connection with such meeting, the Company shall provide each stockholder with a proxy statement and shall use commercially reasonable efforts to solicit its stockholders' approval of such increase in authorized shares of Common Stock and to cause its Board of Directors to recommend to the stockholders that they approve such proposal.

9. Certain Adjustments. The Exercise Price and number of Warrant Shares issuable upon exercise of this Warrant are subject to adjustment from time to time as set forth in this Section 9.

(a) Stock Dividends and Splits. If at any time while this Warrant is outstanding, the number of outstanding shares of Common Stock is increased by a stock dividend payable in shares of Common Stock or by a split-up of shares of Common Stock or other similar event, then, on the effective date thereof, the number of shares issuable on exercise of each Warrant shall be increased in proportion to such increase in outstanding shares and the then applicable Exercise Price shall be correspondingly decreased, each in accordance with Section 9(e).

(b) Aggregation of Shares. If at any time while this Warrant is outstanding, the number of outstanding shares of Common Stock is decreased by a reverse stock split, consolidation, combination or reclassification of shares of Common Stock or other similar event, then, upon the effective date of such consolidation, combination or reclassification, the number of shares issuable on exercise of each Warrant shall be decreased in proportion to such decrease in outstanding shares and the then applicable Exercise Price shall be correspondingly increased.

(c) Replacement of Securities Upon Reorganization, etc. If at any time while this Warrant is outstanding (1) the Company effects any merger or consolidation of the Company with or into another Person, (2) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (3) any tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which holders of Common Stock are permitted to tender or exchange their shares for other securities, cash or property, or (4) the Company effects any capital reorganization or reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property (each, a "**Fundamental Transaction**"), then, as a condition of such Fundamental Transaction, lawful and fair provision shall be made whereby the Holder of the Warrant shall thereafter have the right to purchase and receive, upon the basis and upon the terms and conditions specified in the Warrants and in lieu of the shares of Common Stock of the Company immediately theretofore purchasable and receivable upon the exercise of the rights represented thereby, such shares of stock, securities, or assets as may be issued or payable with respect to or in exchange for the number of outstanding shares of such Common Stock equal to the number of shares of such stock immediately theretofore purchasable and receivable upon the exercise of the rights represented by the Warrants, had such Fundamental Transaction not taken place and in such event appropriate provision shall be made with respect to the rights and interests of the Holder of the Warrant to the end that the provisions hereof (including, without limitation, provisions for adjustments of the Exercise Price and of the number of shares purchasable upon the exercise of the Warrants) shall thereafter be applicable, as nearly as may be in relation to any share of stock, securities, or assets thereafter deliverable upon the exercise hereof. The Company shall not effect any such Fundamental Transaction unless prior to the consummation thereof the successor corporation (if other than the Company) resulting from such Fundamental Transaction, or the corporation purchasing such assets in a Fundamental Transaction, shall assume by written instrument executed and delivered to the Holders of the Warrants the obligation to deliver to the Holders of the Warrant such shares of stock, securities, or assets as, in accordance with the foregoing provisions, such Holders may be entitled to purchase. Notwithstanding the foregoing, in the event of any Fundamental Transaction in which common shareholders receive cash for their ownership interest, other than a Fundamental Transaction in which a successor entity of the Company that is a publicly traded corporation whose stock is quoted or listed for trading on a Trading Market assumes this Warrant such that the Warrant shall thereafter be exercisable for the publicly traded common stock of such successor entity, then, at the written request of the Holder, if and only if such request is delivered by notice in writing to the Company within 30 Business Days following the effective date of the Fundamental Transaction, the Company (or the successor entity) shall purchase this Warrant from the Holder by paying to the Holder, within five Business Days after such request (or, if later, on the effective date of the Fundamental Transaction), cash in an amount per Warrant Share equal to the Transaction Value per share of Common Stock outstanding less the Exercise Price. The terms of any agreement pursuant to which a Fundamental Transaction is effected shall include terms requiring any such successor or surviving entity to comply with the provisions of this Section 9(c) and insuring that the Warrant (or any such replacement security) will be similarly adjusted upon any subsequent transaction analogous to a Fundamental Transaction.

“**Transaction Value**” shall mean the value on the effective date of the Fundamental Transaction of the net pre-tax proceeds received or receivable by common stockholders of the Company in the Fundamental Transaction. Any proceeds not constituting cash shall be valued at their fair market value (as determined in good faith by the Company’s Board of Directors after reasonable prior notice of the proposed determination to the Holder, and an opportunity for the Holder to discuss the proposed determination with the Company).

(d) Number of Warrant Shares. Simultaneously with any adjustment to the Exercise Price pursuant to this Section 9, the number of Warrant Shares that may be purchased upon exercise of this Warrant shall be increased or decreased proportionately, so that after such adjustment the aggregate Exercise Price payable hereunder for the adjusted number of Warrant Shares shall be the same as the aggregate Exercise Price in effect immediately prior to such adjustment.

(e) Calculations. All calculations under this Section 9 shall be made to the nearest cent or the nearest 1/100th of a share, as applicable. The number of shares of Common Stock outstanding at any given time shall not include shares owned or held by or for the account of the Company, and the disposition of any such shares shall be considered an issue or sale of Common Stock.

(f) Notice of Adjustments. Upon the occurrence of each adjustment pursuant to this Section 9, the Company at its expense will promptly compute such adjustment in accordance with the terms of this Warrant and prepare a certificate setting forth such adjustment, including a statement of the adjusted Exercise Price and adjusted number or type of Warrant Shares or other securities, cash or property issuable upon exercise of this Warrant (as applicable), describing the transactions giving rise to such adjustments and showing in detail the facts upon which such adjustment is based. Upon written request, the Company will promptly deliver a copy of each such certificate to the Holder and to the Company's transfer agent.

(g) Notice of Corporate Events. If the Company (i) declares a dividend or any other distribution of cash, securities or other property in respect of its Common Stock, including without limitation any granting of rights or warrants to subscribe for or purchase any capital stock of the Company or any Subsidiary, (ii) authorizes or approves, enters into any agreement contemplating or solicits stockholder approval for any Fundamental Transaction or (iii) authorizes the voluntary dissolution, liquidation or winding up of the affairs of the Company, then the Company shall deliver to the Holder a notice describing the material terms and conditions of such transaction, at least ten Business Days prior to the applicable record or effective date on which a Person would need to hold Common Stock in order to participate in or vote with respect to such transaction, and the Company will take all steps reasonably necessary in order to insure that the Holder is given the practical opportunity to exercise this Warrant prior to such time so as to participate in or vote with respect to such transaction; *provided, however*, that the failure to deliver such notice or any defect therein shall not affect the validity of the corporate action required to be described in such notice.

(h) Rights Upon Distribution Of Assets. If the Company shall declare or make any dividend or other distribution of its assets (or rights to acquire its assets) to Holders of shares of Common Stock in respect to such shares of Common Stock, by way of return of capital or otherwise (including, without limitation, any distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction) (a "**Distribution**"), at any time after the issuance of this Warrant, then, in each such case the Company shall take a record of the holders of its Common Stock for the purpose of entitling them to receive such Distribution and such record date shall be deemed to be the date of such Distribution (the "**Record Date**"), then, in each such case:

(A) any Exercise Price in effect immediately prior to the close of business on the record date fixed for the determination of holders of shares of Common Stock entitled to receive the Distribution shall be reduced, effective as of the close of business on such record date, to a price determined by multiplying such Exercise Price by a fraction of which (I) the numerator shall be the closing bid price of the shares of Common Stock on the Trading Day immediately preceding such record date minus the fair market value of the Distribution (as determined in good faith by the Company's Board of Directors) applicable to one share of Common Stock, and (II) the denominator shall be the closing bid price of the shares of Common Stock on the Trading Day immediately preceding such record date; and

(B) the number of Warrant Shares shall be increased to a number of shares equal to the number of shares of Common Stock obtainable immediately prior to the close of business on the record date fixed for the determination of holders of shares of Common Stock entitled to receive the Distribution multiplied by the reciprocal of the fraction set forth in the immediately preceding paragraph (A); *provided*, that in the event that the Distribution is of shares of Common Stock (or common stock) (“**Other Shares of Common Stock**”) of a company whose common shares are traded on a national securities exchange or a national automated quotation system, then the Holder may elect to receive a warrant to purchase Other Shares of Common Stock in lieu of an increase in the number of Warrant Shares, the terms of which shall be identical to those of this Warrant, except that such warrant shall be exercisable into the number of shares of Other Shares of Common Stock that would have been payable to the Holder pursuant to the Distribution had the Holder exercised this Warrant immediately prior to such record date and with an aggregate exercise price equal to the product of the amount by which the exercise price of this Warrant was decreased with respect to the Distribution pursuant to the terms of the immediately preceding paragraph (A) and the number of Warrant Shares calculated in accordance with the first part of this paragraph (B).

(i) Treasury Shares. The number of shares of Common Stock outstanding at any given time shall not include shares owned or held by or for the account of the Company, and the disposition of any such shares shall be considered an issue or sale of Common Stock for the purpose of this Section 9.

10. Payment of Exercise Price. The Holder shall pay the Exercise Price in immediately available funds; *provided, however*, that if a Registration Statement registering the issuance or resale of the Warrant Shares under the Securities Act is not effective or available for the issuance or resale of the Warrant Shares, the Holder may satisfy its obligation to pay the Exercise Price through a Cashless Exercise as described in Section 4 (e) of this Warrant.

11. Fractional Shares. The Company shall not be required to issue or cause to be issued fractional Warrant Shares on the exercise of this Warrant. If any fraction of a Warrant Share would, except for the provisions of this Section, be issuable upon exercise of this Warrant, the number of Warrant Shares to be issued will be rounded up to the nearest whole share.

12. Notices. Any and all notices or other communications or deliveries hereunder (including without limitation any Exercise Notice) shall be in writing and shall be deemed given and effective on the earliest of (i) the next Trading Day after the date of transmission, if such notice or communication is delivered via facsimile or email, (ii) the Trading Day following the date of mailing, if sent by nationally recognized overnight courier service or (iii) upon actual receipt by the party to whom such notice is required to be given. The address for such notices or communications shall be the last known address as set forth in the Company’s books and records or at such other address as the Holder shall notify the Company.

13. Warrant Agent. The Company shall serve as warrant agent under this Warrant. Upon 10 days' notice to the Holder, the Company may appoint a new warrant agent. Any corporation into which the Company or any new warrant agent may be merged or any corporation resulting from any consolidation to which the Company or any new warrant agent shall be a party or any corporation to which the Company or any new warrant agent transfers substantially all of its corporate trust or shareholders services business shall be a successor warrant agent under this Warrant without any further act. Any such successor warrant agent shall promptly cause notice of its succession as warrant agent to be mailed (by first class mail, postage prepaid) to the Holder at the Holder's last address as shown on the Warrant Register.

14. Miscellaneous.

(a) Subject to the restrictions on transfer set forth herein, this Warrant may be assigned by the Holder in whole or in part. This Warrant may not be assigned by the Company except to a successor in the event of a sale of all or substantially all of the Company's assets or a merger or acquisition of the Company. This Warrant shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns. Subject to the preceding sentences, nothing in this Warrant shall be construed to give to any Person other than the Company and the Holder any legal or equitable right, remedy or cause of action under this Warrant. This Warrant may be amended only in writing signed by the Company and the Holder and their successors and assigns.

(b) The Company will not, by amendment of its governing documents or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such action as may be reasonably necessary or appropriate in order to protect the rights of the Holder against impairment. Without limiting the generality of the foregoing, the Company (i) will not increase the par value of any Warrant Shares above the amount payable therefor on such exercise, (ii) will take all such action as may be reasonably necessary or appropriate in order that the Company may validly and legally issue fully paid and non-assessable Warrant Shares on the exercise of this Warrant, and (iii) will not close its stockholder books or records in any manner which interferes with the timely exercise of this Warrant.

(c) GOVERNING LAW; VENUE; WAIVER OF JURY TRIAL. ALL QUESTIONS CONCERNING THE CONSTRUCTION, VALIDITY, ENFORCEMENT AND INTERPRETATION OF THIS WARRANT SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE. EACH PARTY HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS SITTING IN THE CITY OF WILMINGTON, COUNTY OF NEW CASTLE, DELAWARE, FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION HERewith OR WITH ANY TRANSACTION CONTEMPLATED HEREBY OR DISCUSSED HEREIN (INCLUDING WITH RESPECT TO THE ENFORCEMENT OF ANY OF THE TRANSACTION DOCUMENTS), AND HEREBY IRREVOCABLY WAIVES, AND AGREES NOT TO ASSERT IN ANY SUIT, ACTION OR PROCEEDING, ANY CLAIM THAT IT IS NOT PERSONALLY SUBJECT TO THE JURISDICTION OF ANY SUCH COURT, THAT SUCH SUIT, ACTION OR PROCEEDING IS IMPROPER. EACH PARTY HEREBY IRREVOCABLY WAIVES PERSONAL SERVICE OF PROCESS AND CONSENTS TO PROCESS BEING SERVED IN ANY SUCH SUIT, ACTION OR PROCEEDING BY MAILING A COPY THEREOF VIA REGISTERED OR CERTIFIED MAIL OR OVERNIGHT DELIVERY (WITH EVIDENCE OF DELIVERY) TO SUCH PARTY AT THE ADDRESS IN EFFECT FOR NOTICES TO IT UNDER THIS AGREEMENT AND AGREES THAT SUCH SERVICE SHALL CONSTITUTE GOOD AND SUFFICIENT SERVICE OF PROCESS AND NOTICE THEREOF. NOTHING CONTAINED HEREIN SHALL BE DEEMED TO LIMIT IN ANY WAY ANY RIGHT TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW. THE COMPANY HEREBY WAIVES ALL RIGHTS TO A TRIAL BY JURY.

(d) The headings herein are for convenience only, do not constitute a part of this Warrant and shall not be deemed to limit or affect any of the provisions hereof.

(e) In case any one or more of the provisions of this Warrant shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Warrant shall not in any way be affected or impaired thereby and the parties will attempt in good faith to agree upon a valid and enforceable provision which shall be a commercially reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Warrant.

(f) Prior to exercise of this Warrant, the Holder hereof shall not, by reason of being a Holder, be entitled to any rights of a stockholder with respect to the Warrant Shares.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK, SIGNATURE PAGE FOLLOWS]



IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed by its authorized officer as of the date first indicated above.

**ISIGN SOLUTIONS INC.**

By: \_\_\_\_\_  
Name: Philip Sassower  
Title: Chief Executive Officer

[Signature Page to Common Stock Warrant No \_\_\_\_\_]

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**ANNEX A**

**FORM OF ASSIGNMENT**

[To be completed and signed only upon transfer of Warrant]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto the right represented by the within Warrant to purchase shares of Common Stock of iSign Solutions Inc. to which the within Warrant relates and appoints attorney to transfer said right on the books of iSign Solutions Inc. with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Signature must conform in all respects to name of holder as specified on the face of the Warrant)

\_\_\_\_\_  
Address of Transferee

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

In the presence of:

\_\_\_\_\_

\_\_\_\_\_

**ANNEX B**

**FORM OF EXERCISE NOTICE**

[To be executed by the Holder to exercise the right to purchase shares of Common Stock under the foregoing Warrant]

To: ISIGN SOLUTIONS INC.

The undersigned is the Holder of Warrant No. (the "**Warrant**") issued by iSign Solutions Inc., a Delaware corporation (the "**Company**"). Capitalized terms used herein and not otherwise defined have the respective meanings set forth in the Warrant.

1. The Warrant is currently exercisable to purchase a total of \_\_\_\_\_ Warrant Shares.
2. The undersigned Holder hereby exercises its right to purchase \_\_\_\_\_ Warrant Shares pursuant to the Warrant.
3. The Holder intends that payment of the Exercise Price shall be made as (check one):
  - \_\_\_\_\_ "Cash Exercise" under Section 10
  - \_\_\_\_\_ "Cashless Exercise" under Section 10
4. If the Holder has elected a Cash Exercise, the Holder shall pay the sum of \$ \_\_\_\_\_ to the Company in accordance with the terms of the Warrant.
4. Pursuant to this exercise, the Company shall deliver to the Holder \_\_\_\_\_ Warrant Shares in accordance with the terms of the Warrant.
5. Following this exercise, the Warrant shall be exercisable to purchase a total of \_\_\_\_\_ Warrant Shares.

Dated:

Name of Holder:

(Print) \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

(Signature must conform in all respects to name of holder as specified on the face of the Warrant)

**ANNEX C**

**WARRANT SHARES EXERCISE LOG**

| DATE | NUMBER OF WARRANT SHARES AVAILABLE TO BE EXERCISED | NUMBER OF WARRANT SHARES EXERCISED | NUMBER OF WARRANT SHARES REMAINING TO BE EXERCISED |
|------|--|------------------------------------|--|
|      |  |                                    |  |
|      |  |                                    |  |
|      |  |                                    |  |
|      |  |                                    |  |



**ANNEX D  
DEFINITIONS**

**“Business Day”** means any day excluding Saturday, Sunday and any day which is a legal holiday under the laws of the State of New York, or is a day on which banking institutions located in such state are closed or which the Federal Reserve Banks are closed.

**“Person”** means and includes natural persons, corporations, limited liability companies, limited partnerships, limited liability partnerships, general partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities, and governments and agencies and political subdivisions thereof and their respective permitted successors and assigns (or in the case of a governmental person, the successor functional equivalent of such person).

**“Registration Statement”** means a registration statement filed with the Securities and Exchange Commission for the purposes of registering the Warrant Shares, including (in each case) the prospectus, amendments and supplements to such registration statements or prospectus, including pre- and post-effective amendments, all exhibits thereto, and all material incorporated by reference or deemed to be incorporated by reference therein.

**“SEC”** means the United States Securities and Exchange Commission.

**“Trading Day”** means any day excluding Saturday and Sunday on which shares of the Company’s Common Stock are traded on OTCQB or the primary market on which shares of the Company’s Common Stock are traded as of the Date of Exercise, as the case may be.

**“Trading Market”** means a national securities exchange, an automated inter-dealer quotation system of a national securities association, or such other market on which shares of the successor entity of the Company are publicly traded, as the case may be.

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**Exhibit 10.73**

NEITHER THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT, OR (B) IF REASONABLY REQUESTED BY THE COMPANY, AN OPINION OF COUNSEL REASONABLY ACCEPTABLE TO THE COMPANY THAT REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT. THESE SECURITIES AND THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT SECURED BY SUCH SECURITIES.

**iSIGN SOLUTIONS INC.****UNSECURED CONVERTIBLE PROMISSORY NOTE**

No. N- \_\_\_\_\_  
\$ \_\_\_\_\_

\_\_\_\_\_, 2016

San Jose, California

FOR VALUE RECEIVED, the undersigned, iSign Solutions Inc., a Delaware corporation (the "**Company**"), hereby promises to pay to the order of \_\_\_\_\_ or its permitted assigns (the "**Holder**") the principal sum of \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_), plus interest on the unpaid balance from the date hereof, at the rate of 6.0% per annum on the unpaid principal amount (or, if lower, the maximum interest rate permitted by applicable Law in accordance with Section 14), in lawful money of the United States of America or as otherwise provided in Section 1, at \_\_\_\_\_, or at such other place as the Holder may designate in writing. This Note (the "**Note**") has been issued pursuant to the Note and Warrant Purchase Agreement dated as of \_\_\_\_\_, 2016, as amended from time to time, among the Company and the Purchasers named therein (the "**Purchase Agreement**") and is entitled to the benefits and rights provided therein. Terms not otherwise defined herein shall have the definitions ascribed to them in the Purchase Agreement.

1. Maturity Date; Interest Rate.

1.1 The principal of this Note, together with all unpaid interest and any other fees or expenses otherwise due and owed to the Holder under the Purchase Agreement, shall be due and payable on December 31, 2018 (the "**Maturity Date**").

1.2 This Note shall bear interest at the rate of 6.0% per annum (or, if lower, the maximum interest rate permitted by applicable Law in accordance with Section 14) from the date hereof until repayment of the Note or conversion by the Holder of the Note in accordance with Section 3. Interest on this Note shall be computed on the basis of a three hundred sixty-five (365) day year and actual days elapsed.

1.3 Upon conversion of all unpaid principal and accrued interest hereunder into the shares of Common Stock of the Company pursuant to Section 3, this Note shall be terminated in its entirety and shall be deemed surrendered to the Company for cancellation.

2. Prepayment. This Note may be prepaid by the Company, in whole or in part, at any time prior to the Maturity Date, without penalty, by giving no less than fifteen (15) days' prior notice to the Purchaser.

3. Conversion.

3.1 Optional Conversion - Financing. In the event the Company consummates a financing transaction through the sale and issuance of any New Securities which provides gross cash proceeds to the Company in excess of One Million Dollars (\$1,000,000) (a " **Financing** ") during the term that this Note is outstanding, the Holder may elect to convert all (but not less than all) of the outstanding principal and accrued and unpaid interest hereunder into unregistered shares of Common Stock of the Company at the closing of the Financing in accordance with the conversion ratio set forth in Section 3.2 and the conversion procedures of Section 3.4. Upon conversion, this Note shall be cancelled.

3.2 Shares Issuable in Optional Conversion - Financing. The number of whole shares of Common Stock into which outstanding principal and accrued and unpaid interest under this Note shall be converted pursuant to Section 3.1 shall be determined by dividing (a) the aggregate principal amount of this Note, together with all accrued and unpaid interest through the date of conversion, by (b) the lesser of \$1.30 or the price per share of Common Stock in the Financing. By way of illustration, (a) if the Company sold convertible notes or preferred stock in the Financing and the conversion price of the convertible notes or preferred stock was \$1.00, then the Holder would be entitled to convert the outstanding principal and accrued and unpaid interest under this Note into shares of Common Stock at \$1.00 (as opposed to \$1.30) and (b) if the Company sold shares of the Common Stock at \$1.15 per share and warrants to purchase shares of Common Stock at an exercise price of \$1.45 in the Financing, then the Holder would be entitled to convert the outstanding principal and accrued and unpaid interest under this Note into shares of Common Stock at \$1.15 (as opposed to \$1.30).

3.3 Optional Conversion - Other. Except as provided in Section 3.1, the Holder may elect to convert all (but not less than all) of the outstanding principal and accrued and unpaid interest under this Note into unregistered whole shares of Common Stock of the Company determined by dividing (a) the aggregate principal amount of this Note, together with accrued and unpaid interest through the date of conversion, by (b) \$1.30 and in accordance with Section 3.4. Upon conversion, this Note shall be cancelled.

3.4 Conversion Procedures.

(a) The Company shall provide the Holder with written notice of a Financing no less than fifteen (15) days prior to the consummation of such Financing. If the Holder elects to convert this Note under Section 3.1, then within five (5) days of receipt of such notice the Holder shall deliver written notice to the Company, at the address of the Company's principal executive office, of the Holder's election to convert the outstanding principal amount of this Note and accrued interest to the date of such conversion into shares of Common Stock in accordance with Section 3.1.

(b) If the Holder elects to convert this Note under Section 3.3, then the Holder shall deliver written notice to the Company of at least ten (10) days prior to the conversion date, at the address of the Company's principal executive office, of the Holder's election to convert the outstanding principal amount of this Note and accrued interest to the date of such conversion into shares of Common Stock in accordance with Section 3.3.

In connection with giving either of such notice, the Holder shall surrender this Note to the Company for cancellation, as provided in Section 1.3.

3.5 Delivery of Book-Entry Shares. Upon the conversion of this Note into shares of Common Stock in accordance with the terms herein (and the return of the original Note to the Company together with executed copies of such ancillary agreements or documents executed by Holder as shall be reasonably requested by the Company), the Company at its expense will issue and deliver to the Holder of this Note book-entry shares (bearing such legends as are required by applicable federal and state securities laws in the opinion of counsel to the Company) for the number of whole shares of Common Stock issuable upon such conversion in accordance with Section 3.

3.6 No Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of this Note. In lieu of the Company issuing any fractional shares to the Holder upon the conversion of this Note, the Company shall pay to the Holder in cash the value of such fractional shares based upon the current market price of the Common Stock, as determined by the Company's Board using the closing price of the Common Stock for the ten (10) consecutive trading days prior to the conversion date.

#### 4. Events of Default; Remedies.

4.1 So long as this Note is outstanding, an "**Event of Default**" with respect to this Note shall mean the occurrence and existence of one or more of the following events or conditions (for any reason, whether voluntary, involuntary or effected or required by any Law applicable to the Company):

(a) The Company fails to pay when due and payable any portion of the principal, interest or expenses required to be paid by the Company pursuant to the terms of this Note (the "**Note Indebtedness**").

(b) The Company fails to perform, keep, or observe in any material respect any term, provision, condition, covenant or agreement contained in this Note or any other Transaction Document and such failure to perform remains in effect for a period of twenty (20) days after written notice of such default is received by the Company.

(c) The Company institutes proceedings to be adjudicated as bankrupt or insolvent, or the consent by the Company to the institution of bankruptcy or insolvency proceedings against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable federal, provincial or state Law relating to bankruptcy, insolvency, reorganization or relief of debtors, or the consent by it to the filing of any such petition or to the appointment under any such Law of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Company or of substantially all of its property, or the making by it of a general assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due.

(d) If there is the entry of a decree or order by a court having jurisdiction in the premises adjudging the Company as bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement or adjustment of or in respect of the Company under any applicable Law relating to bankruptcy, insolvency, reorganization or relief of debtors, or appointing under any such Law a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Company or of substantially all of its property, or ordering pursuant to any such Law the winding-up or liquidation of its affairs, and the continuance of any such decree, petition, appointment or order unstayed and in effect for a period of forty five (45) consecutive days.

(e) If any corporate action or proceeding is taken to terminate the corporate existence of the Company, whether by winding-up, surrender of charter or otherwise.

(f) If the Company ceases to carry on its business or consummates the sale of all or substantially all of its assets.



#### 4.2 Exercise of Remedies.

(a) If an Event of Default (other than an Event of Default under Section 4.1(c) or (d)) has occurred and is continuing hereunder:

(i) The Holder may declare the entire unpaid Note Indebtedness, immediately due and payable, without presentment, notice or demand, all of which are hereby expressly waived by the Company; and

(ii) The Holder may exercise any remedy permitted by this Note and the Purchase Agreement or the other Transaction Documents or at Law or in equity.

(b) If an Event of Default under Section 4.1(c) or (d) has occurred and is continuing hereunder:

(i) The entire unpaid Note Indebtedness shall automatically become immediately due and payable, without presentment, notice or demand, all of which are hereby expressly waived by the Company.

(ii) The Holder may exercise any remedy permitted by this Note and the Purchase Agreement or the other Transaction Documents or at Law or in equity.

4.3 Waiver of Defaults. No Event of Default shall be waived except in a writing signed by the Required Holders. No waiver of any Event of Default shall extend to any other or further Event of Default.

5. Rights Under Purchase Agreement. The Holder shall be entitled to the rights and benefits of Sections 4.6 and 4.7 of the Purchase Agreement, which are incorporated herein by reference.

6. No Assignment; Successors and Assigns. The Company may not assign this Note without the prior written consent of the holder of the Note. Subject to the foregoing sentence and the restrictions on transfer described in Section 8 below, the rights and obligations of the Company and the Holder of this Note shall be binding upon and benefit the successors, assigns, heirs, administrators and transferees of the parties. Effective upon any such assignment, the person or entity to whom such rights, interests and obligations were assigned shall have and exercise all of the Holder's rights, interests and obligations hereunder as if such person or entity were the original Holder of this Note.

7. Waiver and Amendment. Any provision of this Note may be amended, waived or modified only as provided in the Purchase Agreement.

8. Transfer of this Note. With respect to any transfer or other disposition of this Note, the Holder will give written notice to the Company prior thereto, describing in reasonable detail the manner thereof, together with a written opinion of such Holder's counsel in a form reasonably satisfactory to the Company's counsel, to the effect that such transfer or other disposition may be effected without registration or qualification in accordance with all applicable federal or state laws then in effect. Promptly upon receiving such written notice and reasonably satisfactory opinion, the Company, as promptly as practicable, shall notify such Holder whether such Holder may transfer or otherwise dispose of this Note, all in accordance with the terms of the notice delivered to the Company. If a determination has been made by the Company that the opinion of counsel for the Holder is not reasonably satisfactory to the Company, the Company shall so notify the Holder promptly after such determination has been made. Each Note transferred hereunder and each certificate representing the securities thus transferred shall bear a legend as to the applicable restrictions on transferability in order to ensure compliance with this Section 8 and the Securities Act. Any transferee of this Note shall be bound by the provisions of this Note and the Purchase Agreement as if it were an original signatory thereto. The Company may issue stop transfer instructions to its transfer agent in connection with such restrictions.

9. Notices. All notices, requests, consent and demands hereunder shall be made in writing in the manner described in the Purchase Agreement.
10. No Stockholder Rights. Nothing contained in this Note shall be construed as conferring upon the Holder or any other person the right to vote or to consent or to receive notice as a stockholder in respect of meetings of stockholders for the election of directors of the Company or any other matters or any rights whatsoever as a stockholder of the Company.
11. Governing Law. This Note shall be governed by and construed in accordance with the Laws of the State of Delaware, without regard to the conflict of Laws provisions thereof. Each of the parties hereto hereby irrevocably consents to the exclusive jurisdiction of the courts of the State of Delaware and of any Federal court located therein in connection with any suit, action or other proceeding arising out of or relating to this Note and waives any objection to venue in the State of Delaware.
12. Taxes. Issuance and delivery of a certificate for shares of the Common Stock upon the conversion of this Note shall be made without charge to the Holder for any issue or transfer tax, transfer agent fee or other incidental tax in respect of the issuance of such certificate, all of which taxes shall be paid by the Company; *provided, however*, that (a) the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the registration of any certificate for shares of the Common Stock upon the conversion of this Note in a name other than that of the Holder and (b) the Holder shall be responsible for all income tax and any other tax liability that may arise as a result of holding or transferring this Note or receiving shares of the Common Stock upon the conversion of this Note.
13. Loss, Theft or Destruction of Note. Upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft or destruction of this Note and of indemnity or security reasonably satisfactory to it, the Company will make and deliver a new Note which shall carry the same rights to interest (unpaid and to accrue) carried by this Note, stating that such Note is issued in replacement of this Note, making reference to the original date of issuance of this Note (and any successors hereto) and dated as of such cancellation, in lieu of this Note.
14. Usury. This Note is hereby expressly limited so that in no event whatsoever, whether by reason of acceleration, or otherwise, shall the amount paid or agreed to be paid to the Holder hereunder exceed that permissible under applicable Law. If at any time the performance of any provision of this Note involves a payment exceeding the limit permitted under applicable Law, then automatically and retroactively, *ipso facto*, the obligation to be performed shall be reduced to such limit, it being the specific intent of the Company and the Holder that all payments under this Note are to be credited first to interest as permitted by Law, but not in excess of (i) the agreed rate of interest set forth herein or (ii) that permitted by Law, whichever is the lesser, and the balance toward the reduction of principal.
15. Heading: References. All headings used herein are used for convenience only and shall not be used to construe or interpret this Note. Except as otherwise indicated, all references herein to Sections refer to Sections hereof.
16. Delays. No delay by the Holder in exercising any power or right hereunder shall operate as a waiver of any power or right.
17. Severability. If any provision or set of provisions of this Note (or any portion thereof) is held by a court of competent jurisdiction to be invalid, illegal or unenforceable for any reason whatever: (a) such provision shall be limited or modified in its application to the minimum extent necessary to avoid the invalidity, illegality or unenforceability of such provision and such modified provision shall be reduced to a writing and signed by the parties hereto; (b) the validity, legality and enforceability of the remaining provisions of this Note shall not in any way be affected or impaired thereby; and (c) to the fullest extent possible, the provisions of this Note shall be construed so as to give effect to the intent manifested by the provision (or portion thereof) held invalid, illegal or unenforceable.
18. No Impairment. The Company will not, by any voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all the provisions of this Note and in the taking of all such action as may be necessary or appropriate in order to protect the rights of the Holder of this Note against impairment.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the Company has caused this Note to be issued as of the date first set forth above.

**COMPANY:**

**ISIGN SOLUTIONS INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: 2025 Gateway Place, Suite 485  
San Jose, California 95110

Email: ir@isignnow.com

**HOLDER:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email: \_\_\_\_\_

Signature page to Note

**iSIGN SOLUTIONS INC.**

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**NOTE PURCHASE AGREEMENT**

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**Dated as of**

\_\_\_\_\_, 2017

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**ISIGN SOLUTIONS INC.****NOTE PURCHASE AGREEMENT**

THIS NOTE PURCHASE AGREEMENT (the “**Agreement**”) is dated as of May 12, 2017, by and among ISIGN SOLUTIONS INC., a Delaware corporation (the “**Company**”), and the purchasers listed on **Schedule A** attached hereto, each of which is herein referred to as an “**Initial Purchaser**” and the purchasers listed from time to time on **Schedule B** attached hereto, each of which is herein referred to as an “**Additional Purchaser**” and, collectively, as the “**Purchasers**”).

## WITNESSETH:

WHEREAS, subject to the terms and conditions set forth herein, the Company desires to issue and sell to each Initial Purchaser on the Initial Closing Date (as defined below) a secured convertible promissory note (each an “**Initial Closing Note**” and, collectively, the “**Initial Closing Notes**”), and the Initial Purchasers desire to purchase the Initial Closing Notes from the Company on the terms and conditions set forth herein;

WHEREAS, subject to the terms and conditions set forth herein, the Company desires to issue and sell to each Additional Purchaser on the applicable Subsequent Closing Date (as defined below) a secured convertible promissory note (each, an “**Additional Note**” and, collectively, the “**Additional Notes**” and, together with the Initial Closing Notes, the “**Notes**”), and the Additional Purchasers desire to purchase such Additional Notes from the Company on the terms and conditions set forth herein; and

WHEREAS, the board of directors of the Company (the “**Board**”), the special committee of the Board (the “**Special Committee**”) and the holders of a majority of the outstanding principal amount of the unsecured convertible promissory notes (the “**Existing Notes**”) issued pursuant to the Note and Warrant Purchase Agreement dated November 3, 2016 (the “**NWPA**”) have approved the execution and delivery of this Agreement, the Notes and all ancillary agreements related hereto, and the transactions contemplated hereby.

NOW, THEREFORE, in consideration of the premises and agreements contained in this Agreement, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, THE PARTIES HEREBY AGREE AS FOLLOWS:

## 1. Purchase and Sale of the Notes.

1.1 Authorization of Issuance of the Notes.

(a) Subject to the terms and conditions of this Agreement, on or prior to the Initial Closing Date, the Company shall have authorized the issuance and sale to the Initial Purchasers of the Initial Closing Notes in the form attached hereto as **Exhibit A**.

(b) Subject to the terms and conditions of this Agreement, on or prior to any Subsequent Closing Date, the Company shall have authorized the issuance and sale to the Additional Purchasers of all Additional Notes to be issued at any Subsequent Closing (as defined below) in the form attached hereto as **Exhibit A**.

1.2 Purchase and Sale of the Initial Closing Notes. Subject to the terms and conditions of this Agreement, each Initial Purchaser, severally and not jointly, hereby agrees to purchase at the Initial Closing (as defined below), and the Company hereby agrees to issue and sell to such Initial Purchaser at the Initial Closing, an Initial Closing Note, dated as of the date of the Initial Closing Date, in the aggregate original principal amount equal to the dollar amount set forth opposite such Initial Purchaser's name under the heading "Initial Closing Principal Amount" on **Schedule A** hereto, in exchange for cash (or such other consideration permitted by Section 1.6) in the amount set forth opposite such Initial Purchaser's name under the heading "Initial Closing Principal Amount" on **Schedule A**.

1.3 Purchase and Sale of Additional Notes. At any time and from time to time, one or more Additional Purchasers may purchase at one or more Subsequent Closings, Additional Notes. Subject to the terms and conditions of this Agreement, each Additional Purchaser, severally and not jointly, hereby agrees to purchase at the applicable Subsequent Closing, and the Company hereby agrees to issue and sell to such Additional Purchaser at the applicable Subsequent Closing, an Additional Note, dated as of the date of the applicable Subsequent Closing Date, in the aggregate original principal amount equal to the dollar amount set forth opposite such Additional Purchaser's name under the heading "Subsequent Closing Principal Amount" on **Schedule B** hereto, in exchange for cash in the amount set forth opposite such Additional Purchaser's name under the heading "Subsequent Closing Principal Amount" on **Schedule B**. **Schedule B** attached hereto shall be amended from time to time concurrent with each Subsequent Closing to include the names of the Additional Purchasers purchasing Additional Notes at such Subsequent Closing, as well as the purchase price of the Additional Notes.

1.4 Use of Proceeds. The Company agrees to use the net proceeds from the sale and issuance of the Notes pursuant to this Agreement for working capital and general corporate purposes.

1.5 Initial Closing. The purchase and sale of the Initial Closing Notes will take place at the offices of Pillsbury Winthrop Shaw Pittman LLP, 1540 Broadway, New York, New York 10036 on the date hereof, or at such other time and place the Company and a majority-in-interest of the Initial Purchasers shall mutually agree, either orally or in writing (which time and place are designated as the "**Initial Closing**"). The date of the Initial Closing is referred to herein as the "**Initial Closing Date**."

1.6 Delivery; Exchange of Existing Notes. At the Initial Closing, the Company will deliver to each Initial Purchaser (a) an Initial Closing Note in the aggregate original principal amount equal to the dollar amount set forth opposite such Initial Purchaser's name under the heading "Initial Closing Principal Amount" on **Schedule A** attached hereto and (b) this Agreement, executed by the Company and the Initial Purchasers. At the Initial Closing, each Initial Purchaser shall deliver to the Company the amount set forth opposite such Initial Purchaser's name under the heading "Initial Closing Principal Amount" on **Schedule A** hereto by any combination of (i) bank check, (ii) personal check, or (iii) wire transfer of immediately available funds to such account as the Company designates, and this Agreement executed by such Initial Purchaser. Each Initial Purchaser, who is a holder of an Existing Note and who purchases an Initial Closing Note for cash, shall be entitled to exchange (on a dollar for dollar basis), on the Initial Closing Date, the principal amount of the Existing Note for the same principal amount of the Initial Closing Note purchased by the Initial Purchaser for cash, up to the principal amount of the Initial Closing Note purchased. For example, in the event such Initial Purchaser was a holder of an Existing Note in the principal amount of \$200,000 and such Initial Purchaser purchased an Initial Closing Note in the aggregate principal amount of \$100,000, then the Initial Purchaser would be entitled to exchange \$100,000 in principal amount of the Existing Note for an Initial Closing Note of \$100,000, in addition to receiving an Initial Closing Note of \$100,000 for its cash purchase. Each Initial Purchaser surrendering an Existing Note for exchange pursuant hereto (a) shall receive cash for accrued and unpaid interest on the principal amount of the Existing Note being exchanged as of the Initial Closing Date and (b) hereby acknowledges and agrees that, notwithstanding any provisions of the Existing Note, any portion of the Existing Note exchanged is automatically cancelled as of the Initial Closing Date.



1.7 Subsequent Closings. Subsequent Closings shall take place at the offices of Pillsbury Winthrop Shaw Pittman LLP, 1540 Broadway, New York, New York 10036, on such date and at such time as the Company shall determine (each, a “**Subsequent Closing**” and, collectively, the “**Subsequent Closings**” and, together with the Initial Closing, individually, a “**Closing**” and, collectively, the “**Closings**”). The date of each applicable Subsequent Closing is referred to herein as a “**Subsequent Closing Date**.” At each Subsequent Closing, the Company shall deliver to each Additional Purchaser (a) an Additional Note, dated as of such applicable Subsequent Closing Date, in an aggregate original principal amount equal to the dollar amount set forth opposite such Additional Purchaser’s name under the heading “Subsequent Closing Principal Amount” on **Schedule B** hereto and (b) this Agreement, executed by the Company and the Additional Purchasers. The Company shall update **Schedule B** from time to time as necessary upon each Subsequent Closing. At each Subsequent Closing, each Additional Purchaser shall deliver to the Company the amount set forth opposite such Additional Purchaser’s name under the heading “Subsequent Closing Principal Amount” on **Schedule B** hereto, by any combination of (i) bank check, (ii) personal check or (iii) wire transfer of immediately available funds to such account as the Company designates. Each Additional Purchaser, who is a holder of an Existing Note and who purchases an Additional Note for cash, shall be entitled to exchange (on a dollar for dollar basis), on such Subsequent Closing Date, the principal amount of the Existing Note for the same principal amount of the Additional Note purchased by the Additional Purchaser for cash, up to the principal amount of the Additional Note purchased. Each Additional Purchaser surrendering an Existing Note for exchange pursuant hereto (a) shall receive cash for accrued and unpaid interest on the principal amount of the Existing Note being exchanged on the applicable Subsequent Closing Date and (b) hereby acknowledges and agrees that, notwithstanding any provisions of the Existing Note, any portion of the Existing Note exchanged is automatically cancelled as of such Subsequent Closing Date.

2. Grant of Security Interest. To secure the Notes, the Company grants and pledges to SG Phoenix LLC, as collateral agent (the “**Agent**”), for the benefit of the Purchasers, a security interest in all of the Company’s right, title and interest in, to and under its intellectual property, pursuant to the Security Agreement attached hereto as **Exhibit B** (the “**Security Agreement**”).

3. Representations and Warranties of the Company. The Company hereby represents and warrants to the each Purchaser as of the Initial Closing Date and in the case of any Additional Purchasers as of such Subsequent Closing Date as follows:

3.1 Organization, Standing and Power. The Company is a corporation duly incorporated in the State of Delaware and has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as contemplated to be conducted. As of the date of this Agreement, the Company is not in good standing with the State of Delaware due to unpaid franchise taxes. The Company intends to pay such franchise taxes prior to December 31, 2017. The Company is duly qualified to transact business as a foreign corporation and is in good standing in any jurisdiction in which the failure to do so would have a material adverse effect on its business, properties, prospects or condition (financial or otherwise).

3.2 Certificate of Incorporation and Bylaws. The Company has made available to such Purchaser true, correct, and complete copies of the certificate of incorporation of the Company as in effect on the date of this Agreement (the “**Certificate of Incorporation**”) and the Company’s bylaws as in effect on the date of this Agreement (the “**Bylaws**”).

3.3 Power; Authority and Enforceability. The Company has all requisite corporate power and authority to execute and deliver this Agreement, the Notes and the Security Agreement (each, a “**Transaction Document**” and, collectively, the “**Transaction Documents**”) and to perform fully its obligations hereunder and thereunder. The Company has all requisite corporate power and authority to issue and sell the Notes to the Purchasers hereunder. The execution and delivery of the Transaction Documents and the consummation of the transactions contemplated thereby have been duly authorized by all necessary corporate action on the part of the Company. The Transaction Documents have been duly executed and delivered by the Company and constitute legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors’ rights and remedies generally and subject, as to enforceability, to general principles of equity, regardless of whether enforceability is considered in a proceeding at law or in equity.

3.4 Capitalization.

(a) Immediately prior to the date hereof, the Company is authorized to issue 2,045,000,000 shares of capital stock of which (i) 2,000,000,000 are designated as Common Stock, of which 5,761,980 shares are issued and outstanding and (ii) 45,000,000 are designated as Preferred Stock, of which (A) 2,000,000 are designated as Series A-1 Cumulative Convertible Preferred Stock of the Company of which none are issued and outstanding, (B) 14,000,000 of which are designated as Series B Participating Convertible Preferred Stock of which none are issued and outstanding, (C) 9,000,000 of which are designated as Series C Participating Convertible Preferred Stock of which none are issued and outstanding, (D) 10,000,000 of which are designated as Series D-1 Convertible Preferred Stock of which none are issued and outstanding and (E) 10,000,000 of which are designated as Series D-2 Convertible Preferred Stock of which none are issued and outstanding. Immediately prior to the date of this Agreement, 3,200 shares of Common Stock are reserved for issuance under the Company’s 1999 Stock Option Plan, under which no shares are subject to outstanding options and no further grants will be made; 5,600 shares of Common Stock are reserved for issuance under the Company’s 2009 Stock Compensation Plan, under which no shares are subject to outstanding awards and 5,434 shares are available for grant; 750,000 shares of Common Stock are reserved for issuance under the Company’s 2011 Stock Compensation Plan, under which 71,427 shares are subject to outstanding awards and 678,523 shares are available for grant; and no shares are subject to outstanding non-plan awards. An aggregate of 1,878,946 shares of Common Stock are reserved for issuance upon the exercise of warrants and other convertible securities outstanding on the date hereof. Immediately prior to the date of this Agreement, the Company has no other shares of capital stock authorized, issued, outstanding or reserved.

(b) As of the date hereof, other than as set forth in Section 3.4(a) or the Notes issued under this Agreement, (i) there are no outstanding options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into or exercisable or exchangeable for, any shares of capital stock of the Company, or arrangements by which the Company is or may become bound to issue additional shares of capital stock, nor are any such issuances or arrangements contemplated; (ii) the Company has no obligation (contingent or otherwise) to purchase, redeem or otherwise acquire any of its equity securities or any interests therein or to pay any dividend or make any distribution in respect thereof; and (iii) the Company has not reserved any shares of capital stock for issuance pursuant to any stock option plan or similar arrangement.

3.5 Authorization; Consents. The execution, delivery and performance by the Company of this Agreement and the other Transaction Documents, the sale, issuance and delivery of the Notes, and the performance of all of the obligations of the Company under this Agreement and each of the other Transaction Documents have been authorized by the Company’s Board and the Special Committee, and approved by holders of a majority of the outstanding principal amount of the Existing Notes, and no other corporate action on the part of the Company and no other corporate or other approval or authorization is required on the part of the Company or any other individual, corporation, limited liability company, partnership, trust, incorporated or unincorporated organization, joint venture, joint stock company, or a government or any agency or political subdivision thereof or other entity of any kind (each a “**Person**”), by Law or otherwise, in order to make this Agreement and the other Transaction Documents the valid, binding and enforceable obligations (subject to (i) Laws of general application relating to bankruptcy, insolvency, and the relief of debtors, and (ii) rules of Law governing specific performance, injunctive relief, or other equitable remedies) of the Company, as the case may be. “**Law**” shall mean any foreign, federal, state or local law, statute, rule, regulation, ordinance, code, directive, writ, injunction, decree, judgment or order applicable to the Company.

3.6 Absence of Conflicts. The Company is not in violation of or default under any provision of its Certificate of Incorporation or its Bylaws. As of the date of this Agreement, the Company is not in good standing in the State of Delaware. The execution, delivery, and performance of, and compliance with the Transaction Documents, and the consummation of the transactions contemplated hereby and thereby, have not and will not:

(a) violate, conflict with or result in a breach of any provision of or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, any of the terms, conditions or provisions of the Company's Certificate of Incorporation or its Bylaws or any Material Contract (as defined below); or

(b) violate any Law of any court or federal, state, county or local government or any other governmental, regulatory or administrative agency or authority which is applicable to the Company or any of its assets, properties or businesses.

“**Material Contract**” shall mean any written and oral contract, agreement, deed, mortgage, lease, sublease, license, instrument, note, commitment, commission, undertaking, arrangement or understanding

(i) which by its terms involves, or would reasonably be expected to involve, aggregate payments by or to the Company during any 12-month period in excess of \$50,000, (ii) the breach of which by the Company or its subsidiary would be material to the Company or its subsidiary or (iii) which is required to be filed as an exhibit by the Company with the SEC pursuant to Items 601(b)(4) and 601(b)(10) of Regulation S- K promulgated by the SEC.

3.7 Compliance with All Securities Laws; Offering Exemption. Assuming the truth and accuracy of the each Purchaser's representations and warranties set forth in Section 3 hereof, (i) the sale of the Notes is exempt from registration under the Securities Act, and will be registered or qualified (or exempt from registration or qualification) under applicable state securities and “blue sky” Laws, as currently in effect, and (ii) the issuance and delivery of the Notes, and the shares of Common Stock issuable upon conversion and exercise thereof (collectively, the “**Securities**”), as contemplated by this Agreement, does not violate or breach any applicable securities laws.

3.8 Governmental Consents. No consent, approval, qualification, order or authorization of, or filing with, any local, state or federal governmental authority is required on the part of the Company in connection with the Company's valid execution, delivery or performance of this Agreement or the issuance and sale of the Securities, except such filings as have been made prior to the Initial Closing, any notices of sale required to be filed with the Securities and Exchange Commission under Regulation D of the Securities Act of 1933, as amended (the “**Securities Act**”), or such post-closing filings as may be required under applicable state securities laws, which will be timely filed within the applicable periods thereafter.

3.9 SEC Reports; Disclosure. The Company has filed all required forms, reports and documents required to be filed by the Company with the Securities and Exchange Commission (the “**SEC**”) since December 31, 2016, each of which has complied in all material respects with all applicable requirements of the Securities Act and the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and the rules and regulations promulgated thereunder, each as in effect on the date such forms, reports and documents were filed. The Company has made available to each Purchaser, in the form filed with the SEC (including any amendments thereto) its (i) Annual Report on Form 10-K for the year ended December 31, 2016; (ii) Current Report on Form 8-K dated January 30, 2017 and (iv) all definitive proxy statements relating to the Company's meeting of shareholders (whether annual or special) held since December 31, 2016 (collectively, the “**SEC Reports**”). None of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

3.10 Financial Statements. Included in the SEC Reports are the audited financial statements of the Company as at and for the years ended December 31, 2016 and 2015 (the “**Financial Statements**”). The Financial Statements have been prepared in accordance with GAAP and fairly present the financial condition and operating results of the Company and its subsidiary on a consolidated basis as of the dates, and for the periods, indicated therein. As of the date of this Agreement (and after giving effect to the conversion or exchange of the Existing Notes on the Initial Closing Date), the Company has no liabilities, obligations or commitments of any nature (whether accrued, absolute, contingent, unliquidated or otherwise, due or to become due and regardless of when addressed) other than (a) liabilities that have arisen in the ordinary course of business consistent with past practice since the date of the Company’s most recent annual report on Form 10-K; (b) liabilities under the Notes issued pursuant to this Agreement and the Existing Notes, and (c) obligations to perform after the date hereof any contracts or agreements which have been disclosed or which are not required to be disclosed in the SEC Reports because such contracts and agreements are not material to the Company.

3.11 Disclosure. The Company understands and confirms that such Purchaser will rely on the foregoing representations in purchasing securities of the Company. No representation or warranty by the Company contained in this Agreement contains any untrue statement of a material fact or omits to state a material fact in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. The Company acknowledges and agrees that such Purchaser does not make and has not made any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in Section 3 hereof.

4. Representations and Warranties of each Purchaser. As of the Initial Closing Date or the applicable Subsequent Closing Date, as the case may be, such Purchaser severally and not jointly hereby represents and warrants to the Company that:

4.1 Organization and Qualification. Such Purchaser, unless such Purchaser is an individual, is duly organized, validly existing and in good standing under the Laws of its jurisdiction of incorporation or organization to carry on its business as it is now being conducted or proposed to be conducted.

4.2 Authorization and Enforceability. Such Purchaser has all requisite corporate or other power and authority to enter into the Transaction Documents, as applicable. The execution, delivery and performance by such Purchaser of the Transaction Documents to which it is a party, and the performance of all of the obligations of such Purchaser under each of such Transaction Documents have been duly and validly authorized, and no other action, approval or authorization is required on the part of such Purchaser in order to make the Transaction Documents the valid, binding and enforceable obligations (subject to (i) Laws of general application relating to bankruptcy, insolvency, and the relief of debtors, and (ii) rules of Law governing specific performance, injunctive relief, or other equitable remedies) of such Purchaser. The Transaction Documents constitute legal, valid and binding obligations of such Purchaser, enforceable against it in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors’ rights and remedies generally and subject, as to enforceability, to general principles of equity, regardless of whether enforceability is considered in a proceeding at law or in equity.

4.3 Purchase Entirely for Own Account. The Securities will be acquired for investment for such Purchaser's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and such Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same. Such Purchaser does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participation in any of the Securities to such person or to any third person.

4.4 Access to Information. Such Purchaser has been given access to the Company and has had an opportunity to ask questions and receive answers from the Company regarding the Company's business, prospects, properties and condition (financial or otherwise) and the terms and conditions of the offering and sale of the Securities. The foregoing, however, does not limit or modify in any respect the representations and warranties of the Company in Section 3 or the right of the Purchasers to rely thereon.

4.5 Investment Experience. Such Purchaser acknowledges that it is able to fend for itself and bear the economic risk of its investment, including the complete loss thereof, and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in the Securities. Such Purchaser has not been organized for the purpose of acquiring the Securities.

4.6 Accredited Investor. Such Purchaser is an "accredited investor" within the meaning of the Securities and Exchange Commission's Rule 501 of Regulation D as promulgated under the Securities Act.

4.7 Restricted Securities. Such Purchaser understands that the Securities it is purchasing are characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the Securities Act only in certain limited circumstances. In this connection, such Purchaser is familiar with Rule 144 under the Securities Act, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act. Such Purchaser understands Rule 144 under the Securities Act is not currently available for the sale of the Securities.

4.8 Legends. It is understood that the certificates evidencing the Securities may bear one or all of the following legends:

(a) "NEITHER THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT, OR (B) IF REASONABLY REQUESTED BY THE COMPANY, AN OPINION OF COUNSEL REASONABLY ACCEPTABLE TO THE COMPANY THAT REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT. THESE SECURITIES AND THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT SECURED BY SUCH SECURITIES."

(b) Any legend required by the laws of any applicable state.

4.9 No General Solicitation. Such Purchaser acknowledges that the Notes were not offered to such Purchaser by means of: (a) any advertisement, article, notice or other communication published in any newspaper, magazine or similar medium, or broadcast over television or radio, or (b) any other form of general solicitation or advertising.

4.10 Reduction of Conversion Price of Existing Notes. Following the approval of the Board, the Special Committee and the holders representing a majority of the outstanding principal amount of the Existing Notes, the Company has made a recording in its books and records to reflect the reduction in the stated conversion price in Section 3 of the Existing Notes from \$1.30 to \$0.50 and each Purchaser represents and warrants that it is aware of and acknowledges and irrevocably and unconditionally agrees to such reduction without any reservation or claim whatsoever.

5. Conditions to Closing; Covenants of Company.

5.1 Conditions of Purchasers' Obligations at Closing. The obligations of such Purchaser under this Agreement are subject to the fulfillment, on or prior to the date of such Closing, of each of the following conditions, any of which may be waived in whole or in part in writing by such Purchaser:

(a) The representations and warranties made by the Company in Section 3 shall be true and correct when made, and shall be true and correct on and as of the Initial Closing and shall be true and correct in all material respects on and as of any applicable Subsequent Closing Date, the with the same force and effect as if they had been made on and as of the same date.

(b) The Company shall have performed and complied with all agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by it on or prior to the date of such Closing.

(c) No material adverse effect on the Company's business, properties, prospects or condition (financial or otherwise) shall have occurred between December 31, 2016 and such Closing and the President and/or Chief Executive Officer of the Company shall deliver to such Purchaser, if requested, at each such applicable Closing a certificate stating that the conditions specified in Sections 5.1(a), (b) and (c) have been fulfilled.

(d) Except for the notices required or permitted to be filed after the date of such Closing pursuant to applicable federal and state securities laws, the Company shall have obtained all governmental approvals required in connection with the lawful sale and issuance of the Securities.

(e) At such applicable Closing, the sale and issuance by the Company, and the purchase by the Purchaser, of the Securities shall be legally permitted by all laws and regulations to which such Purchaser and/or the Company are subject.

(f) At such applicable Closing, the Company shall have delivered to the Purchaser, if requested, a certificate executed by the Secretary of the Company dated as of the date of such Closing certifying with respect to (i) a copy of the Company's Certificate of Incorporation and its Bylaws in effect on such date and that the Company is not in violation of or default under any provision of its Certificate of Incorporation or Bylaw as of and on the date of the Closing, (ii) resolutions of (A) the Board of the Company and (B) the Special Committee, as well as approval by the holders of a majority of the outstanding principal amount of the Existing Notes, each authorizing or approving the transactions contemplated by this Agreement and (iii) the other Transaction Documents.

5.2 Conditions of Initial Purchasers' Obligations at the Initial Closing. In addition to the conditions set forth in Section 5.1 hereof, the obligations of each Initial Purchaser under Section 1.2 are subject to the satisfaction by the Company on the Initial Closing Date of each of the following condition:

(a) The Company shall deliver to each Initial Purchaser its respective Initial Closing Note in accordance with the terms hereof (including Section 1.6).

5.3 Conditions of Additional Purchasers' Obligations at any Applicable Subsequent Closing. In addition to the conditions set forth in Section 5.1 hereof, the obligations of each Additional Purchaser under Section 1.3 are subject to the satisfaction by the Company on each applicable Subsequent Closing Date of the following conditions:

(a) On or before any Subsequent Closing Date, the Company shall deliver to each Additional Purchaser, a supplement to **Schedule B** reflecting the amount of Additional Notes that the Company will issue to such Additional Purchaser on such Subsequent Closing Date and the aggregate purchase price therefor.

(b) The Company shall deliver to the Additional Purchaser such Additional Purchaser's Additional Note in accordance with the terms hereof (including Section 1.7).

5.4 Conditions to Obligations of the Company. The Company's obligation to issue and sell the Notes at any Closing is subject to the fulfillment, to the Company's reasonable satisfaction, on or prior to the date of such applicable Closing, of the following conditions, any of which may be waived in whole or in part by the Company:

(a) The representations and warranties made by the each Purchaser in Section 4 shall be true and correct when made, and shall be true and correct on the date of such applicable Closing with the same force and effect as if they had been made on and as of the same date.

(b) Each Purchaser shall have delivered to the Company in accordance with Section 1.6 or 1.7, as the case may be, the purchase price for the Notes being purchased pursuant hereto on such Closing.

5.5 Reservation of Stock. For so long as the Notes are outstanding, the Company covenants that it will (i) reserve from its authorized and unissued Common Stock, a sufficient number of shares to provide for the issuance of the Common Stock, upon conversion of the Notes, and (ii) take all necessary steps, as needed, to amend its Certificate of Incorporation to provide sufficient reserves of shares of Common Stock issuable upon conversion of the Notes.

5.6 Restrictions on Certain Indebtedness. For so long as the Notes are outstanding, the Company shall not, nor shall it permit any subsidiary to, directly or indirectly (a) incur any indebtedness for borrowed money that ranks senior or pari passu with the Notes or (b) declare or pay any dividend or interest or make any other payment in respect to any securities (debt or equity) that are subordinate to the Notes, except in the case of clause (a) or (b), with the prior written consent of the Required Holders (as defined herein); *provided, however*, that the Company shall be permitted to incur up to an additional \$500,000 in secured promissory notes without obtaining the consent of the Required Holders.

6. Amendment and Waiver.

6.1 Requirements. The Transaction Documents may be amended, and the observance of any term hereof or thereof may be waived (either retroactively or prospectively), with (and only with) the written consent of the Company and the Required Holders (as defined below), except that no such amendment or waiver may, without the written consent of each Purchaser at the time outstanding affected thereby, (i) reduce the principal amount or interest rate or change the method of computation of interest (including with respect to the amount of cash) in the Notes, (ii) change the percentage of the outstanding principal amount of the Notes required to consent to any such amendment or waiver under this Section 6.1, or (iii) amend this Section 6.1. "**Required Holders**" means at any time, the holders of a majority of the outstanding principal amount of the Notes (exclusive of Notes then owned by the Company), with reference to the aggregate principal amount of the Notes listed for each Purchaser on the schedules of this Agreement.

6.2 Copies of Amendments, Waivers and Consents. The Company will deliver executed or true and correct copies of each amendment, waiver or consent effected pursuant to the provisions of this Section 6 to each Purchaser of outstanding Notes promptly following the date on which it is executed and delivered by, or receives the consent or approval of, the requisite Purchasers.

6.3 Binding Effect, Etc. Any amendment or waiver consented to as provided in this Section 6 applies equally to all Purchasers and is binding upon them and upon each Additional Purchaser and upon the Company without regard to whether such Note has been marked to indicate such amendment or waiver. No such amendment or waiver will extend to or affect any obligation, covenant, agreement, Event of Default (as defined in the Notes) not expressly amended or waived or impair any right consequent thereon. No course of dealing between the Company and any Purchaser or any delay in exercising any rights under this Agreement or any Note or Warrant shall operate as a waiver of any rights of any Purchaser. As used herein, the term "Transaction Documents" and references thereto shall mean the Transaction Documents, or any one of them, as they or it may from time to time be amended or supplemented.

6.4 Notes Held by Issuer, Etc. Solely for the purpose of determining whether the requisite percentage of the aggregate principal balance of Notes then outstanding approved or consented to any amendment, waiver or consent to be given under the Transaction Documents, or have directed the taking of any action provided herein or therein to be taken upon the direction of the Purchasers of a specified percentage of the aggregate principal balance of Notes then outstanding, Notes directly or indirectly owned by the Company shall be deemed not to be outstanding.

6.5 Appointment and Authorization of SG Phoenix LLC as Agent.

(a) Appointment. Each Purchaser hereby irrevocably appoints and authorizes the Agent to hold, dispose, or otherwise deal with the Collateral (as defined in the Security Agreement) for its own benefit and the pro rata benefit of the Purchasers, subject to the terms and conditions of the obligations of the Agent as provided in this Agreement and in the Transaction Documents.

(b) No Action. The Agent shall be fully justified in failing or refusing to take any action under this Agreement, any other Transaction Document or any other related document or any other document or instrument referred to or provided for herein or therein unless it shall first receive such advice or concurrence of the Required Holders as it deems appropriate, or it shall first be indemnified to its satisfaction by the Purchasers against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. The Agent shall in all cases be fully protected from the Purchasers in acting, or in refraining from acting, under this Agreement, any other Transaction Document or any other related document or any other document or instrument referred to or provided for herein or therein in accordance with the request of the Required Holders, and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Purchasers and all future holders of the Notes.



(c) No Fiduciary Relationship, Limitation of Responsibility. Notwithstanding any provision to the contrary elsewhere in this Agreement or any other Transaction Document, the Agent shall not have any duties or responsibilities, except those expressly set forth herein or therein, or any fiduciary relationship with any Purchaser, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement, any other Transaction Document or any other related document or otherwise exist against the Agent. The Agent (which term shall include its affiliates and its own and its affiliates' officers, directors, partners, shareholders, employees and agents) shall not be responsible to the Purchasers for (i) any statements, representations or warranties contained in this Agreement or any Transaction Document or for the failure by the Company or any other party to perform its obligations hereunder or thereunder and shall not by reason of this Agreement or any other Transaction Document be a trustee for any Purchaser, (ii) any action taken or omitted to be taken by it hereunder or under any other Transaction Document or under any other document or instrument referred to or provided for herein or therein or in connection herewith or therewith, except for its own gross negligence or willful misconduct or (iii) any recitals, statements, representations or warranties made by the Company or any officer or official of the Company or any other party contained in this Agreement, any other Transaction Document or any other related document, or in any certificate or other document or instrument referred to or provided for in, or received by any of them under, this Agreement, any Transaction Document, or any other related document, or for the value, legality, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement, any Transaction Document, or any other related document or any other document or instrument referred to or provided for herein or therein, for the perfection or priority of any lien security for the Notes or for any failure by the Company to perform any of its obligations hereunder or thereunder. The Agent shall not be under any obligation to any Purchaser to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement, any other Transaction Document or any other related document or any other document or instrument referred to or provided for herein or therein, or to inspect the properties, books or records of the Company.

(d) Reliance. As between the Purchasers and the Agent, the Agent shall be entitled to rely, and shall be fully protected in relying upon any promissory note, writing, resolution, notice, consent, certificate, affidavit, letter, teletype, telex or teletype message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper person(s), organization(s) or entity or entities and upon advice and statements of legal counsel (including, without limitation, counsel to the Company or any of them), independent accountants and other experts selected by the Agent. The Agent may deem and treat the payee of any Note as the owner thereof for all purposes unless a written notice of assignment or transfer thereof shall have been filed with the Agent.

(e) Knowledge of Events of Default. The Agent shall not be deemed to have knowledge or notice of the occurrence of any Event of Default unless the Agent has received notice from a Purchaser or the Company referring to this Agreement, or a Transaction Document, describing such Event of Default and stating that such notice is a "notice of default". In the event that the Agent receives such a notice, the Agent shall give notice thereof to the Purchasers.

(f) Acknowledgments, Representations and Warranties of Purchasers to Agent. Each Purchaser expressly acknowledges that neither the Agent nor any of its officers, directors, partners, shareholders, employees, agents, attorneys-in-fact or affiliates have made any representations or warranties to it and that no act by the Agent hereafter taken, including any review of the affairs of the Company or any affiliate of the Company, shall be deemed to constitute any representation or warranty by the Agent to any Purchaser. Each Purchaser represents to the Agent that it has, independently and without reliance upon the Agent or any other Purchaser, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of the Company and its affiliates and made its own decision to purchase the Notes and Warrants hereunder and enter into this Agreement. Each Purchaser also represents that it shall, independently and without reliance upon the Agent or any other Purchaser, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement or any other Transaction Document or any other related document and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Company and its affiliates. Except for notices, reports and other documents expressly required to be furnished to the Purchasers by the Agent hereunder and under the Transaction Documents, the Agent shall have no duty or responsibility to provide any Purchaser with any credit or other information concerning the business, operations, property, condition (financial or otherwise), prospects or creditworthiness of the Company or any affiliate of the Company which may come into the possession of the Agent or any of its officers, directors, employees, agents, attorneys-in-fact or affiliates.

(g) Purchasers Indemnification. The Purchasers agree to indemnify the Agent in its capacity as such (to the extent not reimbursed by the Company and without limiting the obligation of the Company to do so), ratably in accordance with the aggregate principal amount of the Notes held by the Purchasers for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever that may be imposed on, incurred by or asserted against the Agent in its capacity as such (including by any Purchaser) arising out of or by reason of any investigation in or in any way relating to or arising out of this Agreement or any other Transaction Document provided, that no Purchaser shall be liable for any of the foregoing to the extent they arise from the gross negligence or willful misconduct of the party to be indemnified. The agreements in this Section 6.5 shall survive the payment of the Notes and all other amounts payable hereunder.

(h) Agent in its Individual Capacity, and not as Agent. The Agent and its affiliates may make loans to, accept deposits from and generally engage in any kind of business with the Company as though the Agent were not the Agent. With respect to its Notes purchased hereunder the Agent shall have the same rights and powers under this Agreement, the Transaction Documents and any related document as any Purchaser and may exercise the same as though it were not the Agent, and the terms "Purchaser" and "Purchasers" shall include the Agent in its individual capacity.

(i) Agent's Ability to Employ Agents and Attorneys-in-Fact. The Agent may employ agents and attorneys-in-fact and shall not be responsible, except as to money or securities received by it or its authorized agents, for the negligence or misconduct of any such agents or attorneys-in-fact selected and monitored by it with reasonable care.

(j) Resignation of Agent. The Agent may resign as Agent upon 30 days' written notice to the Purchasers and the Company. If the Agent shall resign as Agent under this Agreement and the Transaction Documents, then the Required Holders shall appoint from among the Purchasers or their affiliates a successor agent for the Purchasers, which successor agent shall (unless an Event of Default shall have occurred and be continuing) be approved by the Company (which approval shall not be unreasonably withheld or delayed), whereupon such successor agent shall succeed to the rights, powers and duties of the Agent, and the term "Agent" shall mean such successor agent effective upon such appointment and approval, and the former Agent's rights, powers and duties as Agent shall be terminated, without any other or further act or deed on the part of such former Agent or any of the parties to this Agreement, the Transaction Document or any holders of the Notes. If no successor agent has accepted appointment as Agent by the date that is 30 days following a retiring Agent's notice of resignation, the retiring Agent's resignation shall nevertheless thereupon become effective and the Purchasers (taking actions by approval of the Required Holders) shall assume and perform all of the duties of the Agent hereunder until such time, if any, as the Purchasers appoint a successor agent as provided for above.

After any retiring Agent's resignation as Agent, the provisions of this Section 6.5 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent under this Agreement and the Transaction Documents.

(k) Company's Ability to Rely on Agent's Authority. The Company shall be entitled to rely upon any certificate, notice or other document or other advice, statement or instruction provided to it by Agent pursuant to this Agreement or the Transaction Documents, and the Company shall generally be entitled to deal with Agent with respect to matters under this Agreement or the Transaction Documents which Agent is authorized to deal with without any obligation whatsoever to satisfy itself as to the authority of Agent to act on behalf of the Purchasers and without any liability whatsoever to the Purchasers for relying upon any certificate, notice or other document or other advice, statement or instruction provided to it by Agent, notwithstanding any lack of authority of Agent to provide the same.

7. Miscellaneous.

7.1 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflict of laws provisions thereof. Each of the parties hereto hereby irrevocably consents to the exclusive jurisdiction of the courts of the State of Delaware and of any federal court located therein in connection with any suit, action or other proceeding arising out of or relating to the Transaction Documents and waives any objection to venue in the State of Delaware. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each party agrees that service of process on such party as provided in Section 7.5 shall be deemed effective service of process on such party.

7.2 Survival. The representations, warranties, covenants and agreements made herein shall survive any investigation made by any Purchaser and the Closings of the transactions contemplated hereby indefinitely.

7.3 Successors and Assigns. The Company may not assign its rights or obligations under the Transaction Documents without the prior written consent of the Purchasers. Subject to the foregoing sentence and the restrictions on transfer described in the Notes, the provisions hereof and of the other Transaction Documents shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto and thereto.

7.4 Entire Agreement. This Agreement (including the Schedules and Exhibits attached hereto) and the Notes and Security Agreement constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof.

7.5 Notices, etc. All notices and other communications required or permitted hereunder shall be effective upon receipt, shall be in writing, and may be delivered in person, by fax, electronic mail, overnight delivery service or United States mail, in which event they may be mailed by first-class, certified or registered, postage prepaid, addressed (a) if to a Purchaser, at such Purchaser's address and electronic mail address as set forth on its signature page hereto, or to such other address or electronic mail address as such Purchaser shall have furnished to the Company in writing, or (b) if to the Company, at its address and electronic mail address set forth on its signature page hereto, or at such other address or electronic mail address as the Company shall have furnished to the parties hereto in writing.

7.6 Severability. If any provision of this Agreement shall be judicially determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

7.7 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall be deemed to constitute one instrument. Any signature page delivered by a fax machine or email shall be binding to the same extent as an original signature page, with regard to any agreement subject to the terms hereof or any amendment thereto. Any party who delivers such a signature page agrees to deliver promptly an original counterpart to each party to whom the faxed or emailed signature page was sent.

7.8 No Joint Venture or Partnership. The relationship between the Company and each Purchaser is a debtor and creditor relationship and not fiduciary in nature, nor is the relationship to be construed as creating any partnership or joint venture between such Purchaser and the Company.

7.9 Expenses. Regardless of whether the Initial Closing or any Subsequent Closing is consummated, except as otherwise expressly provided in the Notes, each party to this Agreement shall bear all reasonable costs, fees and expenses it incurs with respect to the negotiation, execution, delivery and performance of this Agreement and the other Transaction Documents.

7.10 Waiver of Jury Trial. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW WHICH CANNOT BE WAIVED, EACH PURCHASER AND THE COMPANY HEREBY WAIVE, AND COVENANT THAT NEITHER THE COMPANY NOR SUCH PURCHASER WILL ASSERT, ANY RIGHT TO TRIAL BY JURY ON ANY ISSUE IN ANY PROCEEDING, WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE, IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS AGREEMENT, ANY OTHER TRANSACTION DOCUMENT OR THE SUBJECT MATTER HEREOF OR THEREOF OR IN ANY WAY CONNECTED WITH, RELATED OR INCIDENTAL TO THE DEALINGS OF SUCH PURCHASER AND THE COMPANY HEREUNDER OR THEREUNDER, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER IN TORT OR CONTRACT OR OTHERWISE. The Company acknowledges that it has been informed by such Purchaser that the provisions of this Section 7.10 constitute a material inducement upon which such Purchaser is relying and will rely in entering into this Agreement. Such Purchaser or the Company may file an original counterpart or a copy of this Section 7.10 with any court as written evidence of the consent of such Purchaser and the Company to the waiver of the right to trial by jury.

7.11 Further Assurances. At any time or from time to time after any Closing, the Company, on the one hand, and each Purchaser, on the other hand, agree to cooperate with each other, and at the request of the other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby relating to the purchase contemplated herein and to otherwise carry out the intent of the parties hereunder.

7.12 Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power or remedy of such nonbreaching or nondefaulting 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.

7.13 Heading; References. All headings used herein are used for convenience only and shall not be used to construe or interpret this Agreement. Except as otherwise indicated, all references herein to Sections refer to Sections hereof.

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IN WITNESS WHEREOF, the parties have caused this Note Purchase Agreement to be duly executed and delivered by their proper and duly authorized officers.

**COMPANY:**

ISIGN SOLUTIONS INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address: 2025 Gateway Place, Suite 485  
San Jose, California 95110

Email: ir@isignnow.com

[Signature Page to Note Purchase Agreement]

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**PURCHASER:**

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Email: \_\_\_\_\_

[Signature Page to Note Purchase Agreement]

\_\_\_\_\_

SCHEDULE A

| NAME OF INITIAL PURCHASER | INITIAL<br>CLOSING<br>PRINCIPAL<br>AMOUNT |
|---------------------------|---|
|                           | \$  |
| <b>Total</b>              | <b>\$</b>                                 |

SCHEDULE A

**SCHEDULE B**

| NAME OF ADDITIONAL PURCHASER | SUBSEQUENT<br>CLOSING<br>PRINCIPAL<br>AMOUNT |
|------------------------------|--|
|                              | \$   |
| <b>Total</b>                 | <b>\$</b>                                    |

**SCHEDULE B**



**EXHIBIT A**

**FORM OF SECURED CONVERTIBLE PROMISSORY NOTE**

EXHIBIT A

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**EXHIBIT B**

**SECURITY AGREEMENT**

**EXHIBIT B**

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**ISIGN SOLUTIONS INC.****SECURITY AGREEMENT**

SECURITY AGREEMENT dated as of May 11, 2017 (“Security Agreement”), among iSign Solutions Inc., a Delaware corporation (the “Borrower”), and SG Phoenix LLC, a Delaware limited liability company, as collateral agent for the Purchasers (as defined below) (in such capacity, the “Collateral Agent”).

## PRELIMINARY STATEMENTS.

1. The Borrower and the Collateral Agent, as agent for the Purchasers, desire to enter into this Security Agreement on the terms and conditions set forth herein to grant the Collateral Agent a security interest in the Collateral (as defined herein) for the ratable benefit of each of the Purchasers.

2. The Borrower and the Purchasers are parties to a Note Purchase Agreement, dated May 11, 2017 (the “Note Purchase Agreement”), pursuant to which the Purchasers will purchase, and the Borrower has agreed to issue and sell to the Purchasers, secured convertible promissory notes (the “Notes”, and each individually, a “Note”) in an aggregate original principal amount not to exceed \$600,000.

3. Pursuant to the Note Purchase Agreement, each Purchaser irrevocably appointed and authorized the Collateral Agent to hold the Collateral for the pro rata benefit of the Purchasers, subject to the terms and conditions of the obligations of the Agent as provided in the Note Purchase Agreement, this Agreement and the other Transaction Documents.

4. It is a condition precedent to the obligation of the Purchasers to purchase the Notes as provided in the Note Purchase Agreement that the Borrower shall have granted the security interest contemplated by this Security Agreement.

NOW, THEREFORE, in consideration of the premises and in order to induce the Purchasers to purchase the Notes as provided in the Note Purchase Agreement, the Borrower and the Collateral Agent hereby agree as follows:

SECTION 1. Grant of Security. The Borrower hereby grants to the Collateral Agent, as agent for the Purchasers and for the ratable benefit of each Purchaser, a security interest in and lien on all of such Borrower’s right, title and interest in and to all of such Borrower’s intellectual property, including but not limited to all of the following, whether now owned or hereafter acquired or existing (the “Collateral”):

(a) All general intangibles, whether or not for the payment of money, including, but not limited to, all (A) rights to tax refunds or other payments of every kind or nature; (B) copyrights, rights in or licenses of copyrights and marks subject to copyright protection, in whole or in part, and all renewals or extensions of any of the foregoing (the “Copyrights”); (C) trade names, trademarks, service marks, trade styles, designs, logos, indicia, corporate names and fictitious business names, in each case, together with all associated goodwill including, without limitation, the trademark applications set forth on Schedule I hereto (the “Trademarks”); (D) (i) patents now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, including, without limitation, those listed on Schedule I hereto together with all the rights, benefits and privileges derived therefrom, (ii) all design and utility patents, utility models and registered designs (including all reissues, divisions, continuations, continuations-in-part, reexaminations and extensions thereof), and (iii) all proceeds of the foregoing (the “Patents”); (E) designs, schemes, computer programs and all intellectual property rights associated thereto (other than such programs and rights in which, by their terms enforceable under applicable law, no security interest may be granted); and (F) intellectual property and other proprietary information;

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(b) All books and records related to matters in Section 1 (a);

(c) all claims and causes of action against any other person, however arising, related to the matters in Section 1 (a); and

(d) All accessions and additions to, substitutions for, and replacements, products and proceeds of any of the foregoing (including, without limitation, proceeds that constitute property of the types described in clauses (a) through (c) of this Section 1, and, to the extent not otherwise included, all (i) payments under insurance (whether or not any Purchaser is the loss payee thereof), or any indemnity, warranty, guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing; and (ii) any and all supporting obligations in respect of any of the foregoing).

SECTION 2. Security for Obligations; Definitions. (a) This Security Agreement and the Collateral secure the prompt and complete payment and performance when due of (i) all principal and interest under the Notes, and (ii) all obligations of Borrower hereunder and under the Purchase Agreement (collectively, the "Secured Obligations").

(b) Capitalized terms used herein and not defined shall have the meanings assigned to such terms in the Note Purchase Agreement and terms defined in the Uniform Commercial Code as adopted by the State of Delaware ("UCC") shall have the meanings assigned to such terms in the UCC.

SECTION 3. Security Interest Absolute. This Security Agreement shall be construed as a continuing, absolute and unconditional irrevocable grant of security interest and shall remain in full force and effect until payment in full of all of the Secured Obligations. The liability of the Borrower under this Security Agreement shall be absolute and unconditional irrespective of:

(a) any lack of validity or enforceability of the Note Purchase Agreement, or any other Transaction Document or any other agreement or instrument relating to any thereof;

(b) to the extent permitted by applicable law, any occurrence or condition whatsoever, including without limitation, (i) any compromise, settlement, release, waiver, renewal, extension, indulgence or modification of, or any change in, any of the obligations of the Borrower contained in the Note Purchase Agreement or any other Transaction Document, (ii) the assertion or exercise by the Borrower, the Collateral Agent or the Purchasers of any rights or remedies, (iii) the extension of the time for payment by the Borrower of any payments or other sums or any part thereof owing or payable under any of the terms and provisions of any Transaction Document or of the time for performance by the Borrower of any other obligations under or arising out of any terms or provisions or the extension of the renewal of any thereof, (iv) the modification or amendment (whether material or otherwise) of any duty, agreement or obligation of the Borrower set forth in any Transaction Document, or (v) the release or discharge of the Borrower from the performance or observance of any agreement, covenant, term or condition contained in any of such instruments by operation of law; or

(c) to the extent permitted by applicable law, any exchange, release or non- perfection of any Collateral, or any release or amendment or waiver of or consent to departure from any other security agreement, for all or any of the Secured Obligations.

SECTION 4. Borrower Remains Liable. Anything herein to the contrary notwithstanding, (a) the Borrower shall remain liable under the contracts and agreements included in the Collateral to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this Security Agreement had not been executed, (b) the exercise by the Collateral Agent of any of the rights hereunder shall not release Borrower from any of its duties or obligations under the contracts and agreements included in the Collateral, and (c) the Collateral Agent shall not have any obligation or liability under the contracts and agreements included in the Collateral by reason of this Security Agreement, nor shall the Collateral Agent be obligated to perform any of the obligations or duties of the Borrower thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

SECTION 5. Representations and Warranties. The Borrower represents and warrants to the Collateral Agent as follows:

(a) The Borrower owns its Collateral free and clear of any Lien (as defined below), except for the security interest created by this Security Agreement and Permitted Liens existing on the date hereof. No effective financing statement or other instrument similar in effect covering all or any part of the Collateral is on file in any recording office, except (i) for financing statements filed in favor of the Collateral Agent relating to this Security Agreement and (ii) in connection with Permitted Liens. For purposes of this Agreement, "Lien" means any mortgage, deed of trust, pledge, security interest, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), preference or other security agreement or preferential arrangement, charge or encumbrance of any kind or nature whatsoever (including, without limitation, any conditional sale or other title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, and the filing of any financing statement under the UCC or comparable law of any jurisdiction to evidence any of the foregoing), except for reasonable security interests in purchase-money collateral (as such term is defined in §9-103 of the UCC) to the extent such security interests secure purchase-money obligations to finance acquisitions of such purchase money collateral. For purposes of this Agreement "Permitted Lien" means (i) Liens for purchase money or capital lease obligations; provided, that, any such Lien encumbers only the asset so purchased or acquired; (ii) Liens arising from filing UCC financing statements regarding capital leases; (iii) Liens for taxes, fees, assessments or other governmental charges or levies, either not delinquent or being contested in good faith by appropriate proceedings and for which the Grantor maintains adequate reserves in accordance with generally accepted accounting principals; (iv) Liens incurred in connection with the extension, renewal or refinancing of the indebtedness secured by Liens described in clauses (i) through (iii) above; (v) Liens arising from judgments, decrees or attachments in circumstances not constituting an Event of Default as defined in the Note Purchase Agreement; (vi) Liens of carriers, warehousemen, mechanics, materialmen, vendors and landlords incurred in the ordinary course of business for sums not overdue or being contested in good faith; (vii) deposits under workers' compensation, unemployment insurance and social security laws or to secure the performance of bids, tenders, contracts (other than for the repayment or borrowed money) or leases, or to secure statutory obligations of surety or appeal bonds or to secure indemnity or performance arising in the ordinary course of business; (viii) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods; (ix) Liens in favor of the Purchasers pursuant hereto; and (x) any Lien contained in the Note Purchase Agreement.

(b) The Borrower conducts no business under any name or trade name other than its proper corporate name, which is the name set forth in the preamble hereto.

(c) Schedule I sets forth a complete and correct list of all Patents, Trademarks and Registered Copyrights owned or applied for by such Borrower on the date hereof. Such Borrower has the right to use all its Patents, Trademarks, and Copyrights and all computer programs and other similar or related rights, free from restrictions, which are necessary for the operation of its businesses as presently conducted. There is not pending or, to the knowledge of such Borrower, threatened, any claim or litigation against or affecting such Borrower contesting the validity of any of its Patents, Trademarks or Copyrights or computer program or other right.

(d) All other actions legally necessary to perfect and protect the security interests in the Borrower's Collateral, upon the filing of a financing statement on Form UCC-1 with the Secretary of State of the State of Delaware no later than the close of business on the fifth (5th) day following the Initial Closing, will have been duly taken, except with respect to such Borrower's Patents, Trademarks and Registered Copyrights, which, to the extent requested by the Required Holders, shall be prepared no later than the close of business on the thirtieth (30th) day following the receipt of such request and filed within ten (10) days thereafter.

(e) Such Borrower has all requisite corporate power and authority to execute and deliver this Security Agreement and to grant the security interests granted hereby.

(f) No authorization, approval or other action by, and no notice to or filing with, any governmental or regulatory agency or authority is required either (1) for the grant by the Borrower of the security interest granted hereby or for the execution, delivery or performance of this Security Agreement by such Borrower or (2) other than the filing of a financing statement on Form UCC-1 with the Secretary of State of the State of Delaware and with the United States Patent and Trademark Office ("PTO"), for the perfection of such security interest or the exercise by the Collateral Agent of its respective rights and remedies hereunder.

SECTION 6. Further Assurances; Limitations on Changes to Corporate Structure, Name, etc.

(a) The Borrower agrees that from time to time, at its own expense, will promptly execute or otherwise authenticate and deliver all further instruments, documents and other records and take all further action, that may be necessary or desirable, or that the Collateral Agent may reasonably request, in order to perfect and protect any security interest granted or purported to be granted hereby or to enable the Collateral Agent to exercise and enforce its rights and remedies hereunder with respect to the Borrower's Collateral. Without limiting the generality of the foregoing, the Borrower will: (1) following an Event of Default, at the request of the Collateral Agent, mark conspicuously each document and agreement included in the Borrower's Collateral and, at the request of the Collateral Agent, each of its records pertaining to the Collateral with a legend, in form and substance satisfactory to the Collateral Agent, indicating that such Collateral is subject to the security interest granted hereby; and (2) authenticate (if necessary) and file such financing or continuation statements, or amendments thereto, and such other instruments, notices or other records, as may be legally necessary, or as the Collateral Agent may request, in order to perfect and preserve the security interest granted or purported to be granted hereby.

(b) The Borrower hereby authorizes the Collateral Agent to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Borrower's Collateral.

(c) The Borrower will furnish to the Collateral Agent from time to time statements and schedules further identifying and describing the Borrower's Collateral and such other reports in connection with such Collateral as the Collateral Agent may reasonably request, all in reasonable detail.

(d) The Borrower will defend its Collateral against all claims and demands of all persons (other than the Collateral Agent) claiming an interest therein.

(e) The Borrower will, no later than the close of business on the fifth (5th) day following the Initial Closing, file a financing statement on Form UCC-1 with the Delaware Secretary of State and, if requested by the Required Holders in a signed writing, no later than thirty (30) days after receipt of such request, prepare all necessary filings with the PTO with respect to the security interest created hereby and no later than ten (10) days thereafter, file such necessary filings with the PTO, such filings to be, in form and substance, acceptable to the Collateral Agent.

(f) The Borrower will not change its name or jurisdiction of incorporation, or its corporate structure, or merge with or into any other Person, or become domesticated under the laws of any other jurisdiction without giving at least ten (10) days prior notice to the Collateral Agent.

SECTION 7. As to Trademarks. The Borrower shall advise the Collateral Agent of all its Trademarks, Patents and Copyrights or applications for or registration of the same, created or obtained by such Borrower on or after the date of this Security Agreement.

SECTION 8. Insurance. To the extent requested in a signed writing by the Required Holders, each policy for liability and property damage insurance shall provide for all losses to be paid on behalf of the Collateral Agent and the Borrower as their respective interests may appear. Each such policy shall in addition: (1) name the Collateral Agent as insured party thereunder (without any representation or warranty by or obligation upon the Collateral Agent) as its interests may appear; and (2) provide that at least thirty (30) days' prior written notice of amendment to or lapse and at least thirty (30) days' prior written notice of cancellation shall be given to the Collateral Agent by the insurer. The Borrower shall use commercially reasonable efforts to cause each policy to contain the agreement by the insurer that any loss thereunder shall be payable to the Collateral Agent whose rights with respect to any loss thereunder shall be unaffected by any action, inaction or breach of representation and warranty by the Borrower. The Borrower shall, if so requested by the Collateral Agent, deliver to the Collateral Agent original or duplicate policies of such insurance and, as often as the Collateral Agent may request, a report of a reputable insurance broker with respect to such insurance. Further, the Borrower shall, at the request of the Collateral Agent, duly execute and deliver instruments of assignment of such insurance policies to comply with the requirements of Section 6 and cause the respective insurers to acknowledge notice of such assignment.

(b) Reimbursement under any liability insurance maintained by the Borrower pursuant to this Section 8 may be paid directly to the person who shall have incurred liability covered by such insurance.

SECTION 9. [RESERVED].

SECTION 10. Assignment of Claims Act. Borrower shall not permit any notice to be filed under the Assignment of Claims Act with respect to any of its Collateral, except for such notice in favor of the Collateral Agent.

SECTION 11. Notes Equally and Ratably Secured. The Notes shall be equally and ratably secured pursuant to the terms of this Security Agreement. The Borrower shall not make any offer to purchase or otherwise pay any Purchaser without making the same offer to each Purchaser.



SECTION 12. [RESERVED].

SECTION 13. Collateral Agent Appointed Borrower Attorney-in-Fact. The Borrower hereby irrevocably appoints the Collateral Agent as its attorney-in-fact, with full authority in the place and stead of the Borrower and in the name of the Borrower, the Collateral Agent or otherwise, to, after the occurrence and during the continuance of an Event of Default, take any action and to execute any instrument which the Collateral Agent may deem necessary or advisable to accomplish the purposes of this Security Agreement, including, without limitation:

(a) to obtain and adjust insurance required to be paid to the Collateral Agent pursuant to Section 8;

(b) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Collateral;

(c) to receive, endorse, assign, and collect any and all checks, notes, drafts and other negotiable and non-negotiable instruments, documents and chattel paper, in connection with clause (a) or (b) above, and the Borrower waives notice of presentment, protest and non-payment of any instrument, document or chattel paper so endorsed or assigned;

(d) to file any claims or take any action or institute any proceedings which the Collateral Agent may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce the rights of the Collateral Agent with respect to any of the Collateral;

(e) to sell, transfer, assign or otherwise deal in or with the Collateral or the proceeds or avails thereof, as full and effectually as if the Collateral Agent were the absolute owner thereof;

(f) to perform or cause the performance of any obligation of the Borrower hereunder;

(g) to receive, open and dispose of all mail addressed to the Borrower and to notify postal authorities to change the address for delivery thereof to such address as the Collateral Agent may designate; and

The Borrower hereby ratifies and approves all acts other than those which result from the Collateral Agent's gross negligence or willful misconduct, of the Collateral Agent, as its attorney in-fact, pursuant to this Section 13, and the Collateral Agent, as its attorney in-fact, will not be liable for any acts of commission or omission, nor for any error of judgment or mistake of fact or law other than those which result from the Collateral Agent's gross negligence or willful misconduct. This power, being coupled with an interest, is irrevocable so long as this Security Agreement remains in effect.

The Borrower also authorizes the Collateral Agent, at any time after the occurrence and during the continuance of an Event of Default, to communicate in its own name with any party to any contract, agreement or instrument included in the Collateral with regard to the assignment of such contract, agreement or instrument and other matters relating thereto.

SECTION 14. Collateral Agent May Perform. If the Borrower fails to perform any agreement contained herein, the Collateral Agent may itself perform, or cause performance of, such agreement, and the expenses of the Collateral Agent incurred in connection therewith shall be payable by the Borrower under Section 17(b).

SECTION 15. The Collateral Agent's Duties. The powers conferred on the Collateral Agent hereunder are solely to protect its interest in the Collateral and shall not impose any duty upon it to exercise any such powers. Except for the safe custody of any Collateral in its possession and the accounting for moneys actually received by it hereunder, the Collateral Agent shall not have any duty as to any Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral.

SECTION 16. Remedies. If any Event of Default shall have occurred and not have been waived or cured:

(a) The Collateral Agent has the right to take the actions described in Section 13.

(b) The Collateral Agent may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a Collateral Agent on default under the UCC (whether or not the UCC applies to the affected Collateral) and also may (i) require the Borrower to, and the Borrower hereby agrees that it will at its expense and upon the request of the Collateral Agent forthwith, assemble all or part of the Collateral as directed by the Collateral Agent and make it available to the Collateral Agent at a place to be designated by the Collateral Agent which is reasonably convenient to both parties and (ii) to the extent permitted by Law, enter the premises where any of the Collateral is located and take and carry away the same, by any of its representatives, with or without legal process, to Collateral Agent's place of storage, and (iii) without notice except as specified in the next sentence, sell the Collateral or any part thereof in one or more parcels at public or private sale, at any of the Collateral Agent's offices or elsewhere, for cash, on credit or for future delivery and upon such other terms as the Collateral Agent may deem commercially reasonable. The Borrower agrees that, to the extent notice of disposition is required by Law, notice to the Borrower of at least ten (10) business days prior to the earliest time of disposition set forth in such notice shall constitute reasonable notification. The Collateral Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Collateral Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place it was so adjourned.

(c) All cash proceeds received by the Collateral Agent in respect of any sale of, collection from, or other realization upon all or any part of the Collateral may, to the extent required by applicable Law, be held by the Collateral Agent as collateral for, and/or then or at any time thereafter applied (after payment of any amounts payable to the Collateral Agent pursuant to Section 17) to the payment in full of the Secured Obligations, in each case equally and ratably in accordance with the respective amounts thereof then due and owing or as the Purchasers holding the same may otherwise agree. Any surplus of such cash or cash proceeds held by the Collateral Agent and remaining after payment in full of all the Secured Obligations to the Collateral Agent shall be paid over to the Borrower. If the proceeds of the sale of the Collateral are insufficient to pay all of the Secured Obligations, the Borrower agrees to pay upon demand any deficiency to the Collateral Agent.

(d) The Collateral Agent may use (and is hereby granted a license to use), in connection with any assembly, preparation for disposition or disposition of the Collateral, any of the trademarks, copyrights, patents, technical processes, trade names, service marks or trade styles and other intellectual property used by the Borrower, without payment or additional compensation therefor.

(e) The Borrower recognizes that the Collateral Agent may be unable to effect a public sale of all or part of the Collateral consisting of investment property by reason of certain prohibitions contained in the Securities Act of 1933, as amended, or in applicable Delaware or other states' securities laws as now or hereafter in effect, unless registration or qualification, as the case may be, is accomplished. To the extent permitted by Law, the Borrower acknowledges that the Collateral Agent may resort to one or more private sales to a single purchaser or a restricted group of purchasers who will be obliged to agree, among other things, to acquire such investment property for their own account, for investment and not with a view to the distribution or resale thereof. To the extent permitted by Law, the Borrower agrees that private sales may be at prices and other terms less favorable to the Borrower than if such investment property were sold at a public sale and that the Collateral Agent shall have no obligation to delay the sale of any such portion of the Collateral for the period of time necessary to permit the issuer of such investment property to register or qualify such investment property, even if such issuer would, or should, proceed to register or qualify such investment property for public sale. The Borrower agrees that private sales made under the foregoing circumstances shall be deemed to have been made in a "commercially reasonable" manner.

#### SECTION 17. Indemnity and Expenses.

(a) Without limiting any indemnity provided under the Note Purchase Agreement or any other Transaction Document, the Borrower agrees to indemnify and defend the Collateral Agent (including, for the purposes of this Section 17, its agents and affiliates and its officers, directors, employees, consultants and advisors and any of their affiliates (each an "Indemnified Party"), from and against any and all claims, losses and liabilities growing out of or resulting from this Security Agreement or any other Transaction Document (including, without limitation, enforcement of this Security Agreement), except claims, losses or liabilities resulting from an Indemnified Party's gross negligence or willful misconduct.

(b) The Borrower will upon demand promptly pay to the Collateral Agent the amount of any and all expenses, including the reasonable fees and out-of-pocket expenses or disbursements of its counsel and of any experts and agents, which the Collateral Agent may incur in connection with (1) the negotiation or preparation of, or any closing under, and the perfection of (including any filing or recording fees) any and all Liens contemplated by this Security Agreement and any other related documents, (2) the custody, preservation, use or operation of, or the sale of, collection from, or other realization upon, any of the Collateral, and (3) the interpretation, performance or enforcement of any of the rights of the Collateral Agent. Without limiting in any manner the generality of the foregoing, the Borrower will promptly pay all out-of-pocket costs and expenses of the Collateral Agent or any Purchaser upon failure by the Borrower to perform or observe any of the provisions of this Agreement or upon demand in connection with the bankruptcy or other insolvency proceeding involving the Borrower; in each case, including without limitation, the reasonable fees and out-of-pocket expenses of counsel for the Collateral Agent and of any consultants or expert witnesses retained by the Collateral Agent, with respect to any aspect of the Secured Obligations or otherwise relating to the transactions contemplated hereby. All amounts payable by the Borrower under this Section 17(b) shall be paid together with interest thereon, from the date incurred by the Collateral Agent until paid, calculated on the basis of a year of 365 or 366 days, as applicable, and for the actual number of days elapsed, at the highest rate of interest then applicable to any of the Secured Obligations. The Collateral Agent shall not be liable to the Borrower for damages as a result of delays or other causes other than those caused by the Collateral Agent's gross negligence or willful misconduct. This Section 17 shall survive satisfaction of the Secured Obligations and termination of this Security Agreement.

SECTION 18. Amendments; Etc. No amendment or waiver of any provision of this Security Agreement nor consent to any departure by a party herefrom shall in any event be effective unless the same shall be in writing and signed by the Borrower and the Collateral Agent and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

SECTION 19. Notices. All notices and other communications required or permitted hereunder shall be in writing and shall be (i) mailed by registered or certified mail, postage prepaid, (ii) delivered by nationally recognized overnight courier service, or (i) otherwise delivered by hand or by messenger, addressed, if to the Collateral Agent or a Purchaser, to:

SG Phoenix LLC, as Collateral Agent  
70 East 55th Street, 10<sup>th</sup> Floor  
New York, NY 10022  
Attention: Philip S. Sassower  
Email: psassower@sgphoenix.com

or at such other address as the Collateral Agent shall have furnished to Borrower in writing, or, if to the Borrower, to:

iSign Solutions Inc.  
2025 Gateway Place, Suite 485  
San Jose, CA 95110  
Attention: Mohammed Idris  
Email: midris@isignnow.com

All notices shall be effective upon receipt.

SECTION 20. Continuing Security Interest; Transfer of Note. This Security Agreement shall create a continuing security interest in the Collateral and shall (1) remain in full force and effect until the payment in full of the Secured Obligations, (2) be binding upon the Borrower, its successors and permitted assigns and (3) inure to the benefit of the Collateral Agent and its successors. Without limiting the generality of the foregoing clause (3), the Collateral Agent may resign and a successor agent may become vested with the rights, powers and duties of the Collateral Agent pursuant to Section 6.5 of the Note Purchase Agreement. Upon the payment in full of the Secured Obligations the security interest granted hereby shall automatically terminate and all rights to the Collateral shall revert to the Borrower; provided, however that the parties hereto agree that if at any time all or any part of any payment theretofore applied by any party to this Security Agreement is, or must be, rescinded or returned for any reasons whatsoever, including without limitation, the insolvency, bankruptcy or reorganization of the Borrower, this Security Agreement shall, to the extent that such payment is or must be rescinded or returned, be deemed to have continued in existence notwithstanding such application, and this Security Agreement shall continue to be effective or be reinstated, as the case may be, as though such application had not been made. Upon any such termination, the Collateral Agent will, at the Borrower's expense, execute and deliver to the Borrower such documents as the Borrower shall reasonably request to evidence such termination.

SECTION 21. Governing Law. This Security Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, except to the extent that the validity or perfection of the security interest hereunder, or remedies hereunder, in respect of any particular Collateral are governed by the laws of a jurisdiction other than the State of Delaware.

SECTION 22. Miscellaneous. This Security Agreement is in addition to and not in limitation of any other rights and remedies the Collateral Agent may have by virtue of any other instrument or agreement heretofore, contemporaneously herewith or hereafter executed by the Borrower or by law or otherwise. If any provision of this Security Agreement is contrary to applicable law, such provision shall be deemed ineffective without invalidating the remaining provisions hereof and this Security Agreement shall be enforced to the greatest extent possible to carry out the intentions of the parties hereto. If and to the extent that applicable Law confers any rights in addition to any of the provisions of this Security Agreement, the affected provision shall be considered amended to conform thereto. The Collateral Agent shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder. A waiver by the Collateral Agent of any right or remedy hereunder on any one occasion, shall not be construed as a bar to or waiver of any such right or remedy which the Collateral Agent would have had on any future occasion nor shall the Collateral Agent be liable for exercising or failing to exercise any such right or remedy. This Security Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and the parties hereto may execute this Security Agreement by signing any such counterpart.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first above written.

BORROWER:

ISIGN SOLUTIONS INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

COLLATERAL AGENT:

SG PHOENIX LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Signature Page to Security Agreement

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SCHEDULE I  
to Security Agreement

**Patents**

[None]

The Borrower has the following patent applications pending:

| Patent App. No. | Filing Date    |
|-----------------|----------------|
| 14/650,271      | June 5, 2015   |
| 14/455,425      | August 8, 2014 |

**Copyrights**

[None]

**Registered Trademarks**

- iSign®
- InkTools®
- SIGVIEW®
- Sign-it®
- INKshrINK®
- SignatureOne®
- Ceremony®
- Signed, Sealed, Delivered®
- The Power to Sign Online®

**Software**

- SignatureOne® Ceremony® Server
  - iSign® Console™
  - iSign® Enterprise
  - iSign® Family (including iSign® Live, iSign® Mobile, iSign® Forms and others)
  - iSign® Toolkits
  - Sign-it® products and services
-

**Exhibit 10.75**

NEITHER THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT, OR (B) IF REASONABLY REQUESTED BY THE COMPANY, AN OPINION OF COUNSEL REASONABLY ACCEPTABLE TO THE COMPANY THAT REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT. THESE SECURITIES AND THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT SECURED BY SUCH SECURITIES.

**ISIGN SOLUTIONS INC.**  
**SECURED CONVERTIBLE PROMISSORY NOTE**

No. N- \_\_\_\_\_, 2017  
 \$ \_\_\_\_\_

San Jose, California

FOR VALUE RECEIVED, the undersigned, iSign Solutions Inc., a Delaware corporation (the "**Company**"), hereby promises to pay to the order of \_\_\_\_\_ or its permitted assigns (the "**Holder**") the principal sum of \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_), plus interest on the unpaid balance from the date hereof, at the rate of 10.0% per annum on the unpaid principal amount (or, if lower, the maximum interest rate permitted by applicable Law in accordance with Section 5), in lawful money of the United States of America or as otherwise provided in Section 1, at \_\_\_\_\_, or at such other place as the Holder may designate in writing. This Note (the "**Note**") has been issued pursuant to the Note Purchase Agreement dated as of May 11, 2017, as amended from time to time, among the Company and the Purchasers named therein (the "**Purchase Agreement**") and is entitled to the benefits and rights provided therein. The obligations of the Company under this Note are secured as provided in the Purchase Agreement and that certain Security Agreement between the Company and SG Phoenix LLC, as collateral agent for the benefit of the Purchasers. Terms not otherwise defined herein shall have the definitions ascribed to them in the Purchase Agreement.

1. Maturity Date; Interest Rate.

1.1 The principal of this Note, together with all unpaid interest and any other fees or expenses otherwise due and owed to the Holder under the Purchase Agreement, shall be due and payable on December 31, 2018 (the "**Maturity Date**").

1.2 This Note shall bear interest at the rate of 10.0% per annum (or, if lower, the maximum interest rate permitted by applicable Law in accordance with Section 5) from the date hereof until repayment of the Note or conversion by the Holder of the Note in accordance with Section 3. Interest on this Note shall be computed on the basis of a three hundred sixty-five (365) day year and actual days elapsed. Furthermore, should this Note remain outstanding following the Maturity Date an additional 30% of this Note's principal amount shall become due and payable.

1.3 Upon payment or conversion of all unpaid principal and accrued interest hereunder into the shares of Common Stock of the Company pursuant to Section 3, this Note shall be terminated in its entirety and shall be deemed surrendered to the Company for cancellation.



2. Prepayment. This Note may be prepaid by the Company, in whole or in part, at any time prior to the Maturity Date, without penalty, by giving no less than fifteen (15) days' prior notice to the Purchaser.

3. Conversion.

3.1 Optional Conversion - Financing. In the event the Company consummates an equity or equity linked financing transaction through the sale and issuance of any new securities which provides gross cash proceeds to the Company in excess of One Million Dollars (\$1,000,000) (a "**Financing**") during the term that this Note is outstanding, the Holder may elect to convert all (but not less than all) of the outstanding principal and accrued and unpaid interest hereunder into unregistered shares of Common Stock of the Company at the closing of the Financing in accordance with the conversion ratio set forth in Section 3.2 and the conversion procedures of Section 3.4. Upon conversion, this Note shall be cancelled.

3.2 Shares Issuable in Optional Conversion - Financing. The number of whole shares of Common Stock into which outstanding principal and accrued and unpaid interest under this Note shall be converted pursuant to Section 3.1 shall be determined by dividing (a) the aggregate principal amount of this Note, together with all accrued and unpaid interest through the date of conversion, by (b) the lesser of \$0.50 or the price per share of Common Stock in the Financing. By way of illustration, (a) if the Company sold convertible notes or convertible preferred stock in the Financing and the conversion price of the convertible notes or convertible preferred stock was \$0.25, then the Holder would be entitled to convert the outstanding principal and accrued and unpaid interest under this Note into shares of Common Stock at \$0.25 (as opposed to \$0.50) and (b) if the Company sold shares of the Common Stock at \$1.00 per share and warrants to purchase shares of Common Stock at an exercise price of \$1.25 in the Financing, then the Holder would be entitled to convert the outstanding principal and accrued and unpaid interest under this Note into shares of Common Stock at \$0.50 (as opposed to \$1.00).

3.3 Optional Conversion - Other. Except as provided in Section 3.1, the Holder may elect to convert all (but not less than all) of the outstanding principal and accrued and unpaid interest under this Note into unregistered whole shares of Common Stock of the Company determined by dividing (a) the aggregate principal amount of this Note, together with accrued and unpaid interest through the date of conversion, by (b) \$0.50 and in accordance with Section 3.4. Upon conversion, this Note shall be cancelled.

3.4 Conversion Procedures.

(a) The Company shall provide the Holder with written notice of a Financing no less than fifteen (15) days prior to the consummation of such Financing. If the Holder elects to convert this Note under Section 3.1, then within five (5) days of receipt of such notice the Holder shall deliver written notice to the Company, at the address of the Company's principal executive office, of the Holder's election to convert the outstanding principal amount of this Note and accrued interest to the date of such conversion into shares of Common Stock in accordance with Section 3.1.

(b) If the Holder elects to convert this Note under Section 3.3, then the Holder shall deliver written notice to the Company of at least ten (10) days prior to the conversion date, at the address of the Company's principal executive office, of the Holder's election to convert the outstanding principal amount of this Note and accrued interest to the date of such conversion into shares of Common Stock in accordance with Section 3.3. In connection with giving either of such notice, the Holder shall surrender this Note to the Company for cancellation, as provided in Section 1.3.

3.5 Delivery of Book-Entry Shares. Upon the conversion of this Note into shares of Common Stock in accordance with the terms herein (and the return of the original Note to the Company together with executed copies of such ancillary agreements or documents executed by Holder as shall be reasonably requested by the Company), the Company at its expense will issue and deliver to the Holder of this Note book-entry shares (bearing such legends as are required by applicable federal and state securities laws in the opinion of counsel to the Company) for the number of whole shares of Common Stock issuable upon such conversion in accordance with Section 3.

3.6 No Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of this Note. In lieu of the Company issuing any fractional shares to the Holder upon the conversion of this Note, the Company shall pay to the Holder in cash the value of such fractional shares based upon the current market price of the Common Stock, as determined by the Company's Board using the closing price of the Common Stock for the ten (10) consecutive trading days prior to the conversion date.

4. Events of Default; Remedies.

4.1 So long as this Note is outstanding, an "**Event of Default**" with respect to this Note shall mean the occurrence and existence of one or more of the following events or conditions (for any reason, whether voluntary, involuntary or effected or required by any Law applicable to the Company):

(a) The Company fails to pay when due and payable any portion of the principal, interest or expenses required to be paid by the Company pursuant to the terms of this Note (the "**Note Indebtedness**").

(b) The Company fails to perform, keep, or observe in any material respect any term, provision, condition, covenant or agreement contained in this Note or any other Transaction Document and such failure to perform remains in effect for a period of twenty (20) days after written notice of such default is received by the Company.

(c) The Company institutes proceedings to be adjudicated as bankrupt or insolvent, or the consent by the Company to the institution of bankruptcy or insolvency proceedings against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable federal, provincial or state Law relating to bankruptcy, insolvency, reorganization or relief of debtors, or the consent by it to the filing of any such petition or to the appointment under any such Law of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Company or of substantially all of its property, or the making by it of a general assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due.

(d) If there is the entry of a decree or order by a court having jurisdiction in the premises adjudging the Company as bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement or adjustment of or in respect of the Company under any applicable Law relating to bankruptcy, insolvency, reorganization or relief of debtors, or appointing under any such Law a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Company or of substantially all of its property, or ordering pursuant to any such Law the winding-up or liquidation of its affairs, and the continuance of any such decree, petition, appointment or order unstayed and in effect for a period of forty five (45) consecutive days.

(e) If any corporate action or proceeding is taken to terminate the corporate existence of the Company, whether by winding-up, surrender of charter or otherwise.

(f) If the Company ceases to carry on its business or consummates the sale of all or substantially all of its assets.

4.2 Exercise of Remedies.

(a) If an Event of Default (other than an Event of Default under Section 4.1(c) or (d)) has occurred and is continuing hereunder:

(i) The Holder may declare the entire unpaid Note Indebtedness, immediately due and payable, without presentment, notice or demand, all of which are hereby expressly waived by the Company; and

(ii) The Holder may exercise any remedy permitted by this Note and the Purchase Agreement or the other Transaction Documents or at Law or in equity.

(b) If an Event of Default under Section 4.1(c) or (d) has occurred and is continuing hereunder:

(i) The entire unpaid Note Indebtedness shall automatically become immediately due and payable, without presentment, notice or demand, all of which are hereby expressly waived by the Company.

(ii) The Holder may exercise any remedy permitted by this Note and the Purchase Agreement or the other Transaction Documents or at Law or in equity.

4.3 Waiver of Defaults. No Event of Default shall be waived except in a writing signed by the Required Holders. No waiver of any Event of Default shall extend to any other or further Event of Default.

5. Rights Under Purchase Agreement. The Holder shall be entitled to the rights and benefits of Sections 5.6 of the Purchase Agreement, which are incorporated herein by reference.

6. Security. This Note is entitled to the benefits granted to the Agent on behalf of the Purchasers, as set forth in the Security Agreement attached as **Exhibit B** to the Purchase Agreement.

7. No Assignment; Successors and Assigns. The Company may not assign this Note without the prior written consent of the holder of the Note. Subject to the foregoing sentence and the restrictions on transfer described in Section 9 below, the rights and obligations of the Company and the Holder of this Note shall be binding upon and benefit the successors, assigns, heirs, administrators and transferees of the parties. Effective upon any such assignment, the person or entity to whom such rights, interests and obligations were assigned shall have and exercise all of the Holder's rights, interests and obligations hereunder as if such person or entity were the original Holder of this Note.

8. Waiver and Amendment. Any provision of this Note may be amended, waived or modified only as expressly provided in the Purchase Agreement or this Note.

9. Transfer of this Note. With respect to any transfer or other disposition of this Note, the Holder will give written notice to the Company prior thereto, describing in reasonable detail the manner thereof, together with a written opinion of such Holder's counsel in a form reasonably satisfactory to the Company's counsel, to the effect that such transfer or other disposition may be effected without registration or qualification in accordance with all applicable federal or state laws then in effect. Promptly upon receiving such written notice and reasonably satisfactory opinion, the Company, as promptly as practicable, shall notify such Holder whether such Holder may transfer or otherwise dispose of this Note, all in accordance with the terms of the notice delivered to the Company. If a determination has been made by the Company that the opinion of counsel for the Holder is not reasonably satisfactory to the Company, the Company shall so notify the Holder promptly after such determination has been made. Each Note transferred hereunder and each certificate representing the securities thus transferred shall bear a legend as to the applicable restrictions on transferability in order to ensure compliance with this Section 9 and the Securities Act. Any transferee of this Note shall be bound by the provisions of this Note and the Purchase Agreement as if it were an original signatory thereto. The Company may issue stop transfer instructions to its transfer agent in connection with such restrictions.

10. Notices. All notices, requests, consent and demands hereunder shall be made in writing in the manner described in the Purchase Agreement.

11. No Stockholder Rights. Nothing contained in this Note shall be construed as conferring upon the Holder or any other person the right to vote or to consent or to receive notice as a stockholder in respect of meetings of stockholders for the election of directors of the Company or any other matters or any rights whatsoever as a stockholder of the Company.

12. Governing Law. This Note shall be governed by and construed in accordance with the Laws of the State of Delaware, without regard to the conflict of Laws provisions thereof. Each of the parties hereto hereby irrevocably consents to the exclusive jurisdiction of the courts of the State of Delaware and of any Federal court located therein in connection with any suit, action or other proceeding arising out of or relating to this Note and waives any objection to venue in the State of Delaware.

13. Taxes. Issuance and delivery of a certificate for shares of the Common Stock upon the conversion of this Note shall be made without charge to the Holder for any issue or transfer tax, transfer agent fee or other incidental tax in respect of the issuance of such certificate, all of which taxes shall be paid by the Company; *provided, however*, that (a) the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the registration of any certificate for shares of the Common Stock upon the conversion of this Note in a name other than that of the Holder and (b) the Holder shall be responsible for all income tax and any other tax liability that may arise as a result of holding or transferring this Note or receiving shares of the Common Stock upon the conversion of this Note.

14. Loss, Theft or Destruction of Note. Upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft or destruction of this Note and of indemnity or security reasonably satisfactory to it, the Company will make and deliver a new Note which shall carry the same rights to interest (unpaid and to accrue) carried by this Note, stating that such Note is issued in replacement of this Note, making reference to the original date of issuance of this Note (and any successors hereto) and dated as of such cancellation, in lieu of this Note.

15. Usury. This Note is hereby expressly limited so that in no event whatsoever, whether by reason of acceleration, or otherwise, shall the amount paid or agreed to be paid to the Holder hereunder exceed that permissible under applicable Law. If at any time the performance of any provision of this Note involves a payment exceeding the limit permitted under applicable Law, then automatically and retroactively, *ipso facto*, the obligation to be performed shall be reduced to such limit, it being the specific intent of the Company and the Holder that all payments under this Note are to be credited first to interest as permitted by Law, but not in excess of (i) the agreed rate of interest set forth herein or (ii) that permitted by Law, whichever is the lesser, and the balance toward the reduction of principal.

16. Heading; References. All headings used herein are used for convenience only and shall not be used to construe or interpret this Note. Except as otherwise indicated, all references herein to Sections refer to Sections hereof.

17. Delays. No delay by the Holder in exercising any power or right hereunder shall operate as a waiver of any power or right.

18. Severability. If any provision or set of provisions of this Note (or any portion thereof) is held by a court of competent jurisdiction to be invalid, illegal or unenforceable for any reason whatever: (a) such provision shall be limited or modified in its application to the minimum extent necessary to avoid the invalidity, illegality or unenforceability of such provision and such modified provision shall be reduced to a writing and signed by the parties hereto; (b) the validity, legality and enforceability of the remaining provisions of this Note shall not in any way be affected or impaired thereby; and (c) to the fullest extent possible, the provisions of this Note shall be construed so as to give effect to the intent manifested by the provision (or portion thereof) held invalid, illegal or unenforceable.

19. No Impairment. The Company will not, by any voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all the provisions of this Note and in the taking of all such action as may be necessary or appropriate in order to protect the rights of the Holder of this Note against impairment.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the Company has caused this Note to be issued as of the date first set forth above.

**COMPANY:**

**ISIGN SOLUTIONS INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address: 2025 Gateway Place, Suite 485  
San Jose, California 95110

Email: ir@isignnow.com

**HOLDER:**

\_\_\_\_\_  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Email: \_\_\_\_\_

**EXHIBIT 31.1****CERTIFICATION PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Philip Sassower, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of iSign Solutions Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2017

/s/ Philip Sassower

\_\_\_\_\_  
Chairman and Chief Executive Officer  
(Principal Executive Officer of Registrant)

**EXHIBIT 31.2****CERTIFICATION PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Andrea Goren, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of iSign Solutions Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2017

/s/ Andrea Goren

\_\_\_\_\_  
Chief Financial Officer  
(Principal Financial Officer of Registrant)



**EXHIBIT 32.1****CERTIFICATION PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Philip S. Sassower, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of iSign Solutions Inc. on Form 10-Q for the quarterly period ended June 30, 2017 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of iSign Solutions Inc.

Date: August 14, 2017

By: /s/ Philip S. Sassower  
Chairman and Chief Executive Officer  
(Principal Executive Officer)

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to iSign Solutions Inc. and will be retained by iSign Solutions Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

This certification accompanies this Quarterly Report on Form 10-Q pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by such Act, be deemed filed by iSign Solutions Inc. for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that iSign Solutions Inc. specifically incorporates it by reference.

**EXHIBIT 32.2****CERTIFICATION PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Andrea Goren, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of iSign Solutions Inc. on Form 10-Q for the quarterly period ended June 30, 2017 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of iSign Solutions Inc.

Date: August 14, 2017

By: /s/ Andrea Goren

Chief Financial Officer

(Principal Financial Officer)

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to iSign Solutions Inc. and will be retained by iSign Solutions Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

This certification accompanies this Quarterly Report on Form 10-Q pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by such Act, be deemed filed by iSign Solutions Inc. for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that iSign Solutions Inc. specifically incorporates it by reference.