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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 29, 2022

Quantum Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-13449
(Commission
File Number)

94-2665054
(I.R.S. Employer
Identification No.)

224 Airport Parkway Suite 550
San Jose, CA
(Address of principal executive offices)

95110
(Zip Code)

(408) 944-4000
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	QMCO	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01. Other Events.

On March 29, 2022, Quantum Corporation (the “Company”) issued a press release announcing the commencement of its previously announced rights offering to holders of its common stock and certain outstanding warrants to purchase shares of its common stock outstanding as of March 25, 2022 (the “Rights Offering”). A copy of the press release is attached hereto as Exhibit 99.5 and incorporated by reference herein.

In connection with the Rights Offering, the Company is filing items included as Exhibits 4.1 and 99.1 through 99.4 to this Current Report on Form 8-K for the purpose of incorporating such items as exhibits to the Company’s Registration Statement on FormS-3 (File No. 333-250976), of which the prospectus supplement dated March 29, 2022 relating to the Rights Offering forms a part.

Item 9.01 Financial Statements and Exhibits.

Exhibits Number	Description
4.1	<u>Form of Rights Certificate.</u>
99.1	<u>Form of Instructions as to Use of Rights Certificates.</u>
99.2	<u>Form of Letter to Stockholders and Eligible Warrant Holders who are Record Holders.</u>
99.3	<u>Form of Letter to Custodian Banks, Brokers, Dealers, and Other Nominees.</u>
99.4	<u>Form of Notice to Clients of Custodian Banks, Brokers, Dealers, or Other Nominees.</u>
99.5	<u>Press Release dated March 29, 2022.</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURE

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 hereunto duly authorized.

Date: March 29, 2022

QUANTUM CORPORATION

By: /s/ Brian E. Cabrera
Name: Brian E. Cabrera
Title: Senior Vice President, Chief Legal and Compliance Officer, and Secretary



Quantum Corporation

Computershare Trust Company, N.A.
150 Royall Street
Suite V
Canton Massachusetts 02021



MR A SAMPLE
DESIGNATION (IF ANY)
ADD 1
ADD 2
ADD 3
ADD 4
ADD 5
ADD 6



C 1234567890 J N T



Primary Subscription Rights 12345678901234

QUANTUM CORPORATION RIGHTS OFFERING

THIS RIGHTS OFFERING EXPIRES AT 5:00 P.M., EASTERN TIME, ON APRIL 18, 2022, UNLESS THE EXERCISE PERIOD IS EXTENDED (SUCH DATE AND TIME, AS IT MAY BE EXTENDED, THE "EXPIRATION DATE").

The registered owner, whose name is inscribed hereon, is the owner of the number of subscription rights ("Subscription Rights") set forth above. Each Subscription Right entitles the holder thereof to subscribe for and purchase (the "Basic Subscription Right") 0.422572999 of a share of common stock, par value \$0.01 per share, of Quantum Corporation, a Delaware corporation, at a subscription price of \$2.25 per whole share (the "Subscription Price"), pursuant to a rights offering (the "Rights Offering"), on the terms and subject to the conditions set forth in the Prospectus and the "Instructions as to Use of Rights Certificates" accompanying this Rights Certificate. Holders who fully exercise their Basic Subscription Rights are entitled to subscribe for additional shares of common stock that remain unsubscribed for as a result of any unexercised Basic Subscription Rights pursuant to the terms and conditions of the Rights Offering, subject to pro rata adjustments, if any, as described in the Prospectus (the "Over-Subscription Privilege"). The Subscription Rights represented by this Rights Certificate may be exercised by completing the appropriate forms on the reverse side hereof and by returning the full payment of the subscription price. If the subscriber attempts to exercise its Over-Subscription Privilege and Quantum Corporation is unable to issue the subscriber the full amount of shares of common stock requested, the Subscription Agent will return to the subscriber any excess funds submitted as soon as practicable, without interest or deduction.

THE SUBSCRIPTION RIGHTS ARE NON-TRANSFERABLE

The Subscription Rights are non-transferable. The Subscription Rights will not be listed on any securities exchange or quoted on any automated quotation system.

EXERCISE PRICE

The exercise price for the Basic Subscription Rights and the Over-Subscription Privilege is \$2.25 per whole share. A fractional Subscription Right will not be exercisable unless it is aggregated with other fractional Basic Subscription Rights so that when exercised, in the aggregate, such fractional Basic Subscription Rights result in the purchase of a whole share of common stock of Quantum Corporation. In other words, fractional Subscription Rights cannot be exercised for fractional shares of common stock of Quantum Corporation.

METHOD OF EXERCISE OF RIGHTS

IN ORDER TO EXERCISE YOUR SUBSCRIPTION RIGHTS, YOU MUST PROPERLY COMPLETE AND SIGN THIS RIGHTS CERTIFICATE ON THE BACK AND RETURN IT IN THE ENVELOPE PROVIDED TO COMPUTERSHARE TRUST COMPANY, N.A., TOGETHER WITH PAYMENT IN FULL FOR AN AMOUNT EQUAL TO THE APPLICABLE EXERCISE PRICE MULTIPLIED BY THE TOTAL NUMBER OF SHARES OF COMMON STOCK THAT YOU ARE REQUESTING TO PURCHASE TO THE SUBSCRIPTION AGENT, COMPUTERSHARE TRUST COMPANY, N.A., BEFORE 5:00 P.M., EASTERN TIME, ON APRIL 18, 2022.

Holder ID	COY	Class	Rights Qty Issued	Rights Cert #
123456789	XXXX	Subscription Rights	XXX.XXXXXX	12345678
Signature of Owner and U.S. Person for Tax Certification		Signature of Co-Owner (if more than one registered holder listed)		Date (mm/dd/yyyy)
<input type="text"/>		<input type="text"/>		<input type="text"/>

12345678 CLS XRT2 COYC

Full payment of the exercise price for each share of common stock you wish to purchase must be made in U.S. dollars by personal checks payable to "Computershare Trust Company, N.A. (acting as subscription agent for Quantum Corporation)" as described in the "Instructions As To Use of Rights Certificates" that accompanied the mailing of the Prospectus.

Payments of the exercise price for the common stock will be held in a segregated account pending completion of the Rights Offering. The subscription agent will hold this money until the Rights Offering is completed or is withdrawn or terminated. If the Rights Offering is canceled for any reason, all subscription payments received by the subscription agent will be returned to subscribers, without interest or penalty, as soon as practicable. If the Rights Offering is canceled, all subscription payments received by the subscription agent will be returned, without interest or penalty, as soon as practicable to those security holders who subscribed for shares in the Rights Offering.

PLEASE PRINT ALL INFORMATION CLEARLY AND LEGIBLY			
SECTION 1: OFFERING INSTRUCTIONS (check the appropriate boxes)			
IF YOU WISH TO SUBSCRIBE FOR YOUR FULL ENTITLEMENT OF SUBSCRIPTION RIGHTS:			
<input type="checkbox"/> I apply for ALL of my entitlement of new shares pursuant to the Basic Subscription Right	_____ (no. of subscription rights)	x 0.422572999 =	_____ x \$2.25 = \$ _____ (no. of new shares, rounded down to the nearest whole share) (per share)
EXAMPLE: If you own 1,000 shares of common stock, your Basic Subscription Right permits the purchase of 422 shares. (1,000 purchase rights x 0.422572999 = 422.572999 with fractional shares rounded down to the nearest whole number).			
<input type="checkbox"/> In addition, I apply for additional shares pursuant to the Over-Subscription Privilege*	_____ (no. of additional shares)		x \$ 2.25 = \$ _____ (per share)
IF YOU DO NOT WISH TO APPLY FOR YOUR FULL ENTITLEMENT OF SUBSCRIPTION RIGHTS:			
<input type="checkbox"/> I apply for	_____ (no. of new shares, rounded down to the nearest whole share)		x \$ 2.25 = \$ _____ (per share)
			\$ _____
Amount of check or money order enclosed			
IF YOU DO NOT WISH TO EXERCISE YOUR RIGHT TO SUBSCRIBE:			
Please disregard this mailing.			
SECTION 2: SUBSCRIPTION AUTHORIZATION:			
I acknowledge that I have received the Prospectus for the Rights Offering, and I hereby subscribe for the number of shares indicated above on the terms and conditions specified in the Prospectus relating to the Basic Subscription Right and the Over-Subscription Privilege in the Rights Offering.			
Signature of Subscriber(s)			

(and address if different than that listed on this Rights Certificate)			

Telephone number (including area code) _____			

* You can only participate in the Over-Subscription Privilege if you have subscribed for your full entitlement of new shares pursuant to the Basic Subscription Right.

*Please complete all applicable information and return to: **COMPUTERSHARE TRUST COMPANY, N.A.***

By First Class Mail: Computershare Trust Company, N.A., Corporate Actions Voluntary Offer, P.O. Box 43011, Providence, RI 02940-3011
By Courier, Express Mail or Overnight Delivery: Computershare Trust Company, N.A., Corporate Actions Voluntary Offer, 150 Royall Street, Suite V, Canton, MA 02021

DELIVERY OF THIS RIGHTS CERTIFICATE TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE DOES NOT CONSTITUTE A VALID DELIVERY.

Any questions regarding this Rights Certificate and Rights Offering may be directed to Alliance Advisors toll free at (833)786-6484, by mail at Alliance Advisors, LLC, 200 Broadacres Dr., 3rd Floor, Bloomfield, NJ 07003 or by email at QMCO@ALLIANCEADVISORS.COM.

THE TERMS AND CONDITIONS OF THE RIGHTS OFFERING ARE SET FORTH IN THE PROSPECTUS OF THE COMPANY, DATED DECEMBER 9, 2020, AS SUPPLEMENTED BY THE PROSPECTUS SUPPLEMENT DATED MARCH 29, 2022 (AS SO SUPPLEMENTED, THE "PROSPECTUS"), AND ARE INCORPORATED HEREIN BY REFERENCE. COPIES OF THE PROSPECTUS ARE AVAILABLE UPON REQUEST FROM ALLIANCE ADVISORS, LLC, THE INFORMATION AGENT, BY CALLING TOLL FREE AT (833) 786-6484, BY MAIL AT ALLIANCE ADVISORS, LLC, 200 BROADACRES DR., 3RD FLOOR, BLOOMFIELD, NJ 07003, OR BY E-MAIL AT QMCO@ALLIANCEADVISORS.COM.

INSTRUCTIONS AS TO USE OF RIGHTS CERTIFICATES

CONSULT ALLIANCE ADVISORS, LLC, THE INFORMATION AGENT, OR
YOUR BANK OR BROKER AS TO ANY QUESTIONS

The following instructions relate to the distribution (the "Rights Offering") of non-transferable subscription rights (the "subscription rights") by Quantum Corporation, a Delaware corporation ("we," "us," "our" or the "Company"), at no charge to the holders of record as of 5:00 p.m., Eastern Time, on March 25, 2022 (the "record date") of (a) our outstanding shares of common stock, par value \$0.01 per share and (b) certain outstanding warrants to purchase shares of our common stock we issued on December 27, 2018 and June 16, 2020 (the "Participating Warrants"), which are entitled to participate alongside our holders of common stock in this offering (the securities in clauses (a) and (b), collectively, the "Eligible Securities" and the holders of the Eligible Securities, collectively, the "Eligible Securityholders").

Each Eligible Securityholder will receive one subscription right for each share of common stock owned (including shares of common stock issuable upon exercise of the Participating Warrants) on the Record Date (the "Basic Subscription Right"). Each subscription right entitles an Eligible Securityholder to purchase 0.422572999 of a share of our common stock at a subscription price equal to \$2.25 per whole share of common stock (the "Subscription Price"). Eligible Securityholders who fully exercise their Basic Subscription Rights will be entitled to an over-subscription privilege to subscribe for and purchase, at the Subscription Price, additional shares of common stock that remain unsubscribed as a result of unexercised Basic Subscription Rights, subject to pro rata adjustments, if any (the "Over-Subscription Privilege"). If all Eligible Securityholders exercise their subscription rights in full, we would issue in connection with the Rights Offering, in the aggregate, approximately 30 million shares of our common stock, subject to adjustment for the number of actual shares, including shares issuable upon exercise of the Participating Warrants, outstanding as of the record date.

If you send a payment that is insufficient to purchase the number of shares of common stock you requested, or if the number of shares of common stock you requested is not specified in the forms, the payment received will be applied to exercise your subscription rights to the fullest extent possible based on the amount of the payment received. If the payment exceeds the Subscription Price for the full exercise of your subscription rights, or if you subscribe for more shares of common stock than you are eligible to purchase, then the excess will be returned to you as soon as practicable, without interest or penalty, following 5:00 p.m., Eastern Time on April 18, 2022, unless we extend such period (the "Expiration Time"). You will not receive interest on any payments refunded to you under the Rights Offering. We reserve the right to reject any or all subscriptions not properly or timely submitted or completed or the acceptance of which would, in the opinion of our counsel, be unlawful. If you elect to exercise any subscription rights and timely submit all required documents and payment prior to the Expiration Time, your subscription rights will be considered exercised at the Expiration Time.

There is no minimum number of shares of common stock that you must purchase, but you may not purchase fractional shares. You may exercise all or a portion of your subscription rights for whole shares of common stock or you may choose not to exercise any of your subscription rights at all.

The subscription rights may be exercised at any time during the subscription period, which will commence on March 29, 2022, and will expire at 5:00 p.m., Eastern Time, on April 18, 2022, unless we extend such period (the "Subscription Period"). We do not currently intend to extend the Subscription Period. If you elect to exercise any subscription rights, Computershare Trust Company, N.A. (the "Subscription Agent"), must receive all required documents and payments from you at or prior to the Expiration Time; except for certain Eligible Securityholders

who are parties to the Investment Commitment Agreement, dated March 16, 2022 (the “Committed Purchasers”), a copy of which is filed as Exhibit 10.1 to the Form 8-K filed on March 17, 2022, who are not required to deliver payment to Computershare for the shares exercised pursuant to such Committed Purchasers’ Over-Subscription Privilege until the Committed Purchasers receive a notice from the Company as to the amount of shares constituting such Committed Purchasers’ Over-Subscription Privilege in accordance with the Investment Commitment Agreement. If you elect to exercise any subscription rights and timely submit all required documents and payment prior to the Expiration Time, your subscription rights will be considered exercised at the Expiration Time.

You must properly complete the enclosed Rights Certificate and deliver it, along with payment of the Subscription Price in full (without any deductions for bank charges or similar fees) on or prior to the expiration of the Subscription Period. If you send your Rights Certificate and Subscription Price payment by mail, we recommend that you use an overnight courier or insured, registered mail, return receipt requested. **DO NOT DELIVER COMPLETED RIGHTS CERTIFICATES OR PAYMENTS DIRECTLY TO QUANTUM CORPORATION.**

We are not making the Rights Offering in any state or other jurisdiction in which it is unlawful to do so, nor are we distributing or accepting any offers to purchase any shares of common stock from subscription right holders who are residents of those states or other jurisdictions or who are otherwise prohibited by federal, state or foreign laws or regulations from accepting or exercising the subscription rights. We may decline to make modifications to the terms of the Rights Offering requested by those states or other jurisdictions, in which case, if you are a resident in those states or jurisdictions or if you are otherwise prohibited by federal, state or foreign laws or regulations from accepting or exercising the subscription rights, you will not be able to participate in the Rights Offering.

Please see the discussion of risk factors related to the Rights Offering under the heading “Risk Factors—Risks Related to the Rights Offering” in the Prospectus.

If you have any questions concerning the Rights Offering, please call the Information Agent for the Rights Offering, Alliance Advisors, LLC, by calling toll free at (833) 786-6484, by mail at Alliance Advisors, LLC, 200 Broadacres Dr., 3rd Floor, Bloomfield, NJ 07003, or by e-mail at QMCO@allianceadvisors.com.

YOUR COMPLETED RIGHTS CERTIFICATE AND PAYMENT IN FULL OF THE SUBSCRIPTION PRICE FOR EACH RIGHT THAT IS EXERCISED MUST BE RECEIVED BY THE SUBSCRIPTION AGENT ON OR BEFORE THE EXPIRATION OF THE SUBSCRIPTION PERIOD. ONCE YOU HAVE EXERCISED YOUR SUBSCRIPTION RIGHTS, SUCH EXERCISE MAY NOT BE REVOKED, CANCELED OR CHANGED, EVEN IF YOU SUBSEQUENTLY LEARN INFORMATION ABOUT THE COMPANY OR ITS BUSINESS, FINANCIAL POSITION, RESULTS OF OPERATIONS OR CASH FLOWS THAT IS MATERIAL OR ADVERSE OR THAT YOU OTHERWISE CONSIDER TO BE UNFAVORABLE. SUBSCRIPTION RIGHTS NOT EXERCISED PRIOR TO THE EXPIRATION OF THE SUBSCRIPTION PERIOD WILL EXPIRE WITHOUT VALUE.

1. Method of Subscription—Exercise of Subscription Rights.

To exercise your subscription rights, complete your Rights Certificate and deliver it, along with payment of the Subscription Price in full (without any deductions for bank charges or similar fees) to the Subscription Agent, on or prior to the expiration of the Subscription Period. Payment of the aggregate Subscription Price will be held in a segregated account maintained by the Subscription Agent. All payments must be made in U.S. dollars for the full number of shares of common stock you wish to acquire in the Rights Offering, as further described in the Prospectus and on your Rights Certificate, and if sent by mail, to the applicable address below:

By Overnight Courier, Registered Mail & Overnight Mail:
Computershare Trust Company, N.A.
Attn Corporate Actions Voluntary Offer
150 Royall Street – Suite V
Canton, MA 02021

By First Class Mail:
Computershare Trust Company, N.A.
Attn Corporate Actions Voluntary Offer
P.O. Box 43011
Providence, RI 02940-3011

DELIVERY TO AN ADDRESS OR BY A METHOD OTHER THAN THOSE ABOVE WILL NOT CONSTITUTE VALID DELIVERY.

Subscription rights will be evidenced by a rights certificate registered in the name of the record holder. If your shares are held in “street name” through a custodian bank, broker, dealer, or other nominee, then your custodian bank, broker, dealer, or other nominee is the record holder of the subscription rights you own. Your custodian bank, broker, dealer or other nominee, as the record holder, will notify you of the Rights Offering. The record holder must exercise the subscription rights and send payment of the aggregate Subscription Price on your behalf.

Custodian banks, brokers, dealers, and other nominee holders of subscription rights who exercise subscription rights on behalf of beneficial owners of subscription rights will be required to certify to the Subscription Agent and the Company as to the aggregate number of subscription rights that have been exercised by each beneficial owner of subscription rights (including such nominee itself) on whose behalf such nominee holder is acting.

2. No Sale or Transfer of Subscription Rights.

The subscription rights granted to you are non-transferable and, therefore, you may not sell, transfer or assign your subscription rights to anyone.

3. Execution

- (a) *Execution by Registered Holder.* The signature on the Rights Certificate must correspond with the name of the registered holder exactly as it appears on the face of the Rights Certificate without any alteration or change whatsoever. Persons who sign the Rights Certificate in a representative or other fiduciary capacity must indicate their capacity when signing and, unless waived by the Subscription Agent in its sole and absolute discretion, must present to the Subscription Agent satisfactory evidence of their authority to so act.
- (b) *Execution by Person Other than Registered Holder.* If the Rights Certificate is executed by a person other than the holder named on the face of the Rights Certificate, proper evidence of authority of the person executing the Rights Certificate must accompany the same unless, for good cause, the Subscription Agent dispenses with proof of authority.
- (c) *Signature Guarantees.* Your signature must be guaranteed by an eligible institution if you specify special delivery instructions.

4. Method of Delivery.

The method of delivery of Rights Certificates and payment of the Subscription Price to the Subscription Agent will be at the election and risk of the subscription rights holder.

5. Determination Regarding the Exercise of Your Subscription Rights.

All questions concerning the timeliness, validity, form and eligibility of any exercise of subscription rights will be determined by us. Our determinations will be final and binding. We reserve the right, in our sole discretion, to waive any defect or irregularity, or permit a defect or irregularity to be corrected within the time that we may determine. We may also, in our sole discretion, reject the attempt to exercise any subscription rights. Subscriptions will not be deemed to have been received or accepted until all irregularities have been waived or cured within the time that we determine. None of the Subscription Agent, the Information Agent nor we are under any duty to give notice of any defect or irregularity in connection with the submission of rights certificates.

FORM OF LETTER TO STOCKHOLDERS AND CERTAIN WARRANT HOLDERS WHO ARE RECORD HOLDERS**QUANTUM CORPORATION**

*Non-Transferable Subscription Rights to Purchase Shares of Common Stock, at a Subscription Price of \$2.25 per Whole Share of Common Stock
Distributed to Stockholders and Certain Warrant Holders
of Quantum Corporation*

March 29, 2022

Dear Securityholder:

Enclosed are materials relating to the distribution (the "Rights Offering") of non-transferable subscription rights (the "subscription rights") by Quantum Corporation, a Delaware corporation ("we," "us," "our" or the "Company"), at no charge to the holders of record as of 5:00 p.m., Eastern Time, on March 25, 2022 (the "record date") of (a) our outstanding shares of common stock, par value \$0.01 per share and (b) certain outstanding warrants to purchase shares of our common stock we issued on December 27, 2018 and June 16, 2020 (the "Participating Warrants"), which are entitled to participate alongside our holders of common stock in this offering (the securities in clauses (a) and (b), collectively, the "Eligible Securities" and the holders of the Eligible Securities, collectively, the "Eligible Securityholders").

Each Eligible Securityholder will receive one subscription right for each share of common stock owned (including shares of common stock issuable upon exercise of the Participating Warrants) on the Record Date (the "Basic Subscription Right"). Each subscription right entitles an Eligible Securityholder to purchase 0.422572999 of a share of our common stock at a subscription price equal to \$2.25 per whole share of common stock (the "Subscription Price"). Eligible Securityholders who fully exercise their Basic Subscription Rights will be entitled to an over-subscription privilege to subscribe for and purchase, at the Subscription Price, additional shares of common stock that remain unsubscribed as a result of unexercised Basic Subscription Rights, subject to pro rata adjustments, if any (the "Over-Subscription Privilege"). If all Eligible Securityholders exercise their subscription rights in full, we would issue in connection with the Rights Offering, in the aggregate, approximately 30 million shares of our common stock, subject to adjustment for the number of actual shares, including shares issuable upon exercise of the Participating Warrants, outstanding as of the record date. The subscription rights are described in the prospectus dated December 9, 2020, as supplemented by the prospectus supplement dated March 29, 2022 (as so supplemented, the "Prospectus").

Any prospective purchaser of shares of common stock pursuant to the exercise of the subscription rights should read the Prospectus, including, without limitation, the risk factors contained therein, prior to making any decision to participate in the Rights Offering.

The subscription rights may be exercised at any time during the subscription period, which will commence on March 29, 2022, and will expire at 5:00 p.m., Eastern Time, on April 18, 2022, unless we extend such period (the "Subscription Period"). We do not currently intend to extend the Subscription Period. If you elect to exercise any subscription rights, Computershare Trust Company, N.A. (the "Subscription Agent"), must receive all required documents and payments from you at or prior to the Expiration Time. If you elect to exercise any subscription rights and timely submit all required documents and payment prior to the Expiration Time, your subscription rights will be considered exercised at the Expiration Time.

If you send a payment that is insufficient to purchase the number of shares of common stock you requested, or if the number of shares of common stock you requested is not specified in the forms, the payment received will be applied to exercise your subscription rights to the fullest extent possible based on the amount of the payment received. If the payment exceeds the Subscription Price for the full exercise of your subscription rights, or if you subscribe for more shares of common stock than you are eligible to purchase, then the excess will be returned to you as soon as practicable, without interest or penalty, following 5:00 p.m., Eastern Time on April 18, 2022, unless we extend such period (the "Expiration Time"). You will not receive interest on any payments refunded to you under the Rights

Offering. We reserve the right to reject any or all subscriptions not properly or timely submitted or completed or the acceptance of which would, in the opinion of our counsel, be unlawful. If you elect to exercise any subscription rights and timely submit all required documents and payment prior to the Expiration Time, your subscription rights will be considered exercised at the Expiration Time.

We are not making the Rights Offering in any state or other jurisdiction in which it is unlawful to do so, nor are we distributing or accepting any offers to purchase any shares of common stock from subscription right holders who are residents of those states or other jurisdictions or who are otherwise prohibited by federal, state or foreign laws or regulations from accepting or exercising the subscription rights. We may decline to make modifications to the terms of the Rights Offering requested by those states or other jurisdictions, in which case, if you are a resident in those states or jurisdictions or if you are otherwise prohibited by federal, state or foreign laws or regulations from accepting or exercising the subscription rights, you will not be able to participate in the Rights Offering.

There is no minimum number of shares of common stock that you must purchase, but you may not purchase fractional shares. You may exercise all or a portion of your subscription rights for whole shares of common stock or you may choose not to exercise any of your subscription rights at all. Please see the discussion of risk factors related to the Rights Offering, including no revocation of your decision to exercise, under the heading "Risk Factors—Risks Related to the Rights Offering" in the Prospectus.

Once you submit the form of rights certificate to exercise any subscription rights, you are not allowed to revoke, cancel or change the exercise of your subscription rights or request a refund of monies paid. All exercises of subscription rights are irrevocable, even if you subsequently learn information about us or our business, financial position, results of operations, or cash flows that is material or adverse or that you otherwise consider to be unfavorable.

The subscription rights will be evidenced by a rights certificate registered in your name or the name of your custodian bank, broker, dealer or other nominee.

Enclosed are copies of the following documents:

1. Prospectus;
2. Rights Certificate; and
3. Instruction as to Use of Rights Certificate.

Your prompt action is requested. You must properly complete the enclosed Rights Certificate and deliver it, along with payment of the Subscription Price in full (without any deductions for bank charges or similar fees) to the Subscription Agent, on or prior to the expiration of the Subscription Period. If you send your Rights Certificate and Subscription Price payment by mail, we recommend that you use an overnight courier or insured, registered mail, return receipt requested. **DO NOT DELIVER COMPLETED RIGHTS CERTIFICATES OR PAYMENTS DIRECTLY TO QUANTUM CORPORATION.**

We reserve the right to reject any or all subscriptions not properly or timely submitted or completed or the acceptance of which would, in the opinion of our counsel, be unlawful.

Additional copies of the enclosed materials may be obtained from the information agent for the Rights Offering, Alliance Advisors, LLC (the "Information Agent"), by calling toll free at (833) 786-6484, by mail at Alliance Advisors, LLC, 200 Broadacres Dr., 3rd Floor, Bloomfield, NJ 07003, or by e-mail at QMCO@allianceadvisors.com. Any questions or requests for assistance concerning the Rights Offering should be directed to the Information Agent.

Very truly yours,

Quantum Corporation

FORM OF LETTER TO CUSTODIAN BANKS, BROKERS, DEALERS, AND OTHER NOMINEES**QUANTUM CORPORATION**

*Non-Transferable Subscription Rights to Purchase Shares of Common Stock, at a Subscription Price of \$2.25 per Whole Share of Common Stock
Distributed to Stockholders and Certain Warrant Holders
of Quantum Corporation*

March 29, 2022

To Custodian Banks, Brokers, Dealers, and Other Nominees:

This letter is being distributed to custodian banks, brokers, dealers, and other nominees in connection with the distribution (the “Rights Offering”) of non-transferable subscription rights (the “subscription rights”) by Quantum Corporation, a Delaware corporation (“we,” “us,” “our” or the “Company”), at no charge to the holders, as of 5:00 p.m., Eastern Time, on March 25, 2022 (the “record date”), of (a) our outstanding shares of common stock, par value \$0.01 per share and (b) certain outstanding warrants to purchase shares of our common stock we issued on December 27, 2018 and June 16, 2020 (the “Participating Warrants”), which are entitled to participate alongside our holders of common stock in this offering (the securities in clauses (a) and (b), collectively, the “Eligible Securities” and the holders of the Eligible Securities, collectively, the “Eligible Securityholders”). Please carefully review the prospectus dated December 9, 2020, as supplemented by the prospectus supplement dated March 29, 2022 (as so supplemented, the “Prospectus”).

Each Eligible Securityholder will receive one subscription right for each share of common stock owned (including shares of common stock issuable upon exercise of the Participating Warrants) on the Record Date (the “Basic Subscription Right”). Each subscription right entitles an Eligible Securityholder to purchase 0.422572999 of a share of our common stock at a subscription price equal to \$2.25 per whole share of common stock (the “Subscription Price”). Eligible Securityholders who fully exercise their Basic Subscription Rights will be entitled to an over-subscription privilege to subscribe for and purchase, at the Subscription Price, additional shares of common stock that remain unsubscribed as a result of unexercised Basic Subscription Rights, subject to pro rata adjustments, if any (the “Over-Subscription Privilege”). If all Eligible Securityholders exercise their subscription rights in full, we would issue in connection with the Rights Offering, in the aggregate, approximately 30 million shares of our common stock, subject to adjustment for the number of actual shares, including shares issuable upon exercise of the Participating Warrants, outstanding as of the record date. The subscription rights and shares of our common stock are described in the Prospectus.

The subscription rights may be exercised at any time during the subscription period, which will commence on March 29, 2022, and will expire at 5:00 p.m., Eastern Time, on April 18, 2022, unless we extend such period (the “Subscription Period”). We do not currently intend to extend the Subscription Period. If you elect to exercise any subscription rights, Computershare Trust Company, N.A. (the “Subscription Agent”), must receive all required documents and payments from you at or prior to the Expiration Time. If you elect to exercise any subscription rights and timely submit all required documents and payment prior to the Expiration Time, your subscription rights will be considered exercised at the Expiration Time.

If you send a payment that is insufficient to purchase the number of shares of common stock you requested, or if the number of shares of common stock you requested is not specified in the forms, the payment received will be applied to exercise your subscription rights to the fullest extent possible based on the amount of the payment received. If the payment exceeds the Subscription Price for the full exercise of your subscription rights, or if you subscribe for more shares of common stock than you are eligible to purchase, then the excess will be returned to you as soon as practicable, without interest or penalty, following 5:00 p.m., Eastern Time on April 18, 2022, unless we extend such period (the “Expiration Time”). You will not receive interest on any payments refunded to you under the Rights Offering. We reserve the right to reject any or all subscriptions not properly or timely submitted or completed or the acceptance of which would, in the opinion of our counsel, be unlawful. If you elect to exercise any subscription rights and timely submit all required documents and payment prior to the Expiration Time, your subscription rights will be considered exercised at the Expiration Time.

There is no minimum number of shares of common stock that you must purchase, but you may not purchase fractional shares. You may exercise all or a portion of your subscription rights for whole shares of common stock or you may choose not to exercise any of your subscription rights at all.

We are asking persons who hold shares of common stock or Participating Warrants beneficially and who have received the subscription rights distributable with respect to those shares or Participating Warrants through a custodian bank, broker, dealer, or other nominee to contact the appropriate institution or nominee and request it to effect the transactions for them. Please take prompt action to notify any beneficial owners of shares of common stock or Participating Warrants as to the Rights Offering and the procedures and deadlines that must be followed to exercise their subscription rights.

We are not making the Rights Offering in any state or other jurisdiction in which it is unlawful to do so, nor are we distributing or accepting any offers to purchase any shares of common stock from subscription right holders who are residents of those states or other jurisdictions or who are otherwise prohibited by federal, state or foreign laws or regulations from accepting or exercising the subscription rights. We may decline to make modifications to the terms of the Rights Offering requested by those states or other jurisdictions, in which case, if you are a resident in those states or jurisdictions or if you are otherwise prohibited by federal, state or foreign laws or regulations from accepting or exercising the subscription rights, you will not be able to participate in the Rights Offering.

We are not charging any fee or sales commission to issue subscription rights. If a holder exercises its subscription rights through the record holder of such shares of common stock or Participating Warrants, the shareholder or warrant holder is responsible for paying any fees its record holder may charge such shareholder or warrant holder to exercise the subscription rights.

Enclosed are copies of the following documents:

1. Prospectus;
2. Rights Certificate;
3. Instruction as to Use of Rights Certificate; and
4. Form of Notice to Clients of Custodian Banks, Brokers, Dealers, or Other Nominees.

Your prompt action is requested. You must properly complete the enclosed Rights Certificate and deliver it, along with payment of the Subscription Price in full (without any deductions for bank charges or similar fees) to the Subscription Agent on or prior to the expiration of the Subscription Period. If you send your Rights Certificate and Subscription Price payment by mail, we recommend that you use insured, registered mail, return receipt requested. **DO NOT DELIVER COMPLETED RIGHTS CERTIFICATES OR PAYMENTS DIRECTLY TO QUANTUM CORPORATION.**

Once you submit the form of rights certificate to exercise any subscription rights, you are not allowed to revoke, cancel or change the exercise of your subscription rights or request a refund of monies paid. All exercises of subscription rights are irrevocable, even if you subsequently learn information about us or our business, financial position, results of operations, or cash flows that is material or adverse or that you otherwise consider to be unfavorable.

Additional copies of the enclosed materials may be obtained from the information agent for the Rights Offering, Alliance Advisors, LLC (the "Information Agent"), by calling toll free at (833) 786-6484, by mail at Alliance Advisors, LLC, 200 Broadacres Dr., 3rd Floor, Bloomfield, NJ 07003, or by e-mail at QMCO@allianceadvisors.com. Any questions or requests for assistance concerning the Rights Offering should be directed to the Information Agent.

Very truly yours,

Quantum Corporation

NOTHING IN THE PROSPECTUS OR IN THE ENCLOSED DOCUMENTS SHALL CONSTITUTE YOU OR ANY PERSON AS AN AGENT OF QUANTUM CORPORATION, THE SUBSCRIPTION AGENT, THE INFORMATION AGENT OR ANY OTHER PERSON MAKING OR DEEMED TO BE MAKING OFFERS OF THE SECURITIES ISSUABLE UPON VALID EXERCISE OF THE SUBSCRIPTION RIGHTS, OR AUTHORIZE YOU OR ANY OTHER PERSON TO MAKE ANY STATEMENTS ON BEHALF OF ANY OF THEM WITH RESPECT TO THE OFFERING EXCEPT FOR STATEMENTS EXPRESSLY MADE IN THE PROSPECTUS.

FORM OF NOTICE TO CLIENTS OF CUSTODIAN BANKS, BROKERS, DEALERS, OR OTHER NOMINEES**QUANTUM CORPORATION**

*Non-Transferable Subscription Rights to Purchase Shares of Common Stock, at a Subscription Price of \$2.25 per Whole Share of Common Stock
Distributed to Stockholders and Certain Warrant Holders
of Quantum Corporation*

March 29, 2022

To Our Clients:

Enclosed for your consideration are a prospectus, dated December 9, 2020, as supplemented by the prospectus supplement dated March 29, 2022 (as so supplemented, the "Prospectus"), and the "Instructions as to Use of Rights Certificates" relating to the distribution (the "Rights Offering") of non-transferable subscription rights (the "subscription rights") by Quantum Corporation, a Delaware corporation (the "Company"), at no charge to the holders, as of 5:00 p.m., Eastern Time, on March 25, 2022 (the "record date"), of (a) the Company's outstanding shares of common stock, par value \$0.01 per share and (b) certain outstanding warrants to purchase shares of the Company's common stock issued on December 27, 2018 and June 16, 2020 (the "Participating Warrants"), which are entitled to participate alongside the Company's holders of common stock in this offering (the securities in clauses (a) and (b), collectively, the "Eligible Securities" and the holders of the Eligible Securities, collectively, the "Eligible Securityholders").

Each Eligible Securityholder will receive one subscription right for each share of common stock owned (including shares of common stock issuable upon exercise of the Participating Warrants) on the Record Date (the "Basic Subscription Right"). Each subscription right entitles an Eligible Securityholder to purchase 0.422572999 of a share of the Company's common stock at a subscription price equal to \$2.25 per whole share of common stock (the "Subscription Price"). Eligible Securityholders who fully exercise their Basic Subscription Rights will be entitled to an over-subscription privilege to subscribe for and purchase, at the Subscription Price, additional shares of common stock that remain unsubscribed as a result of unexercised Basic Subscription Rights, subject to pro rata adjustments, if any (the "Over-Subscription Privilege"). If all Eligible Securityholders exercise their subscription rights in full, the Company would issue in connection with the Rights Offering, in the aggregate, approximately 30 million shares of common stock, subject to adjustment for the number of actual shares, including shares issuable upon exercise of the Participating Warrants, outstanding as of the record date. The subscription rights and shares of the Company's common stock are described in the Prospectus.

The subscription rights may be exercised at any time during the subscription period, which will commence on March 29, 2022, and will expire at 5:00 p.m., Eastern Time, on April 18, 2022, unless the Company extends such period (the "Subscription Period"). To our knowledge, the Company does not currently intend to extend the Subscription Period. If you elect to exercise any subscription rights, Computershare Trust Company, N.A. (the "Subscription Agent"), must receive all required documents and payments from you at or prior to the Expiration Time. If you elect to exercise any subscription rights and timely submit all required documents and payment prior to the Expiration time, your subscription rights will be considered exercised at the Expiration Time.

If you send a payment that is insufficient to purchase the number of shares of common stock you requested, or if the number of shares of common stock you requested is not specified in the forms, the payment received will be applied to exercise your subscription rights to the fullest extent possible based on the amount of the payment received. If the payment exceeds the Subscription Price for the full exercise of your subscription rights, or if you subscribe for more shares of common stock than you are eligible to purchase, then the excess will be returned to you as soon as practicable, without interest or penalty, following 5:00 p.m., Eastern Time on April 18, 2022, unless the Company extends such period (the "Expiration Time"). You will not receive interest on any payments refunded to you under the Rights Offering. The Company reserves the right to reject any or all subscriptions not properly or timely submitted or completed or the acceptance of which would, in the opinion of the Company's counsel, be unlawful. If you elect to exercise any subscription rights and timely submit all required documents and payment prior to the Expiration Time, your subscription rights will be considered exercised at the Expiration Time.

The Company is not making the Rights Offering in any state or other jurisdiction in which it is unlawful to do so, nor is the Company distributing or accepting any offers to purchase any shares of common stock from subscription right holders who are residents of those states or other jurisdictions or who are otherwise prohibited by federal, state or foreign laws or regulations from accepting or exercising the subscription rights. The Company may decline to make modifications to the terms of the Rights Offering requested by those states or other jurisdictions, in which case, if you are a resident in those states or jurisdictions or if you are otherwise prohibited by federal, state or foreign laws or regulations from accepting or exercising the subscription rights, you will not be able to participate in the Rights Offering.

There is no minimum number of shares of common stock that you must purchase, but you may not purchase fractional shares. You may exercise all or a portion of your subscription rights for whole shares of common stock or you may choose not to exercise any of your subscription rights at all. Please see the discussion of risk factors related to the Rights Offering, including no revocation of your decision to exercise, under the heading “Risk Factors—Risks Related to the Rights Offering” in the Prospectus.

Once you submit the form of rights certificate to exercise any subscription rights, you are not allowed to revoke, cancel or change the exercise of your subscription rights or request a refund of monies paid. All exercises of subscription rights are irrevocable, even if you subsequently learn information about the Company or the Company’s business, financial position, results of operations, or cash flows that is material or adverse or that you otherwise consider to be unfavorable.

The subscription rights will be evidenced by a rights certificate registered in the name of the record holder, us. THE MATERIALS ENCLOSED ARE BEING FORWARDED TO YOU AS THE BENEFICIAL OWNER OF SHARES CARRIED BY US IN YOUR ACCOUNT BUT NOT REGISTERED IN YOUR NAME. THE SUBSCRIPTION RIGHTS MAY ONLY BE EXERCISED PURSUANT TO YOUR INSTRUCTIONS BY US AS THE RECORD OWNER. Accordingly, we request instructions as to whether you wish us to elect to subscribe for any shares of common stock to which you are entitled pursuant to the terms and subject to the conditions set forth in the Prospectus. We urge you to read the Prospectus carefully before instructing us to exercise your subscription rights.

If you wish to have us exercise the subscription rights for any shares of common stock to which you are entitled, please so instruct us by completing, executing and returning to us the enclosed Beneficial Owner Election form.

Your Beneficial Owner Election form should be forwarded to us as promptly as possible in order to permit us to exercise your subscription rights on your behalf in accordance with the provisions of the Rights Offering. The subscription rights will expire at the end of the Subscription Period, however, we may require you to submit your forms to us at an earlier date. Please contact us for our deadline with respect to your submission of the Beneficial Owner Election form.

Additional copies of the enclosed materials may be obtained from the information agent for the Rights Offering, Alliance Advisors, LLC (the “Information Agent”), by calling toll free at (833) 786-6484, by mail at Alliance Advisors, LLC, 200 Broadacres Dr., 3rd Floor, Bloomfield, NJ 07003, or by e-mail at QMCO@allianceadvisors.com. Any questions or requests for assistance concerning the Rights Offering should be directed to the Information Agent.

Very truly yours,

THE TERMS AND CONDITIONS OF THE RIGHTS OFFERING ARE SET FORTH IN THE PROSPECTUS OF THE COMPANY, DATED DECEMBER 9, 2020, AS SUPPLEMENTED BY THE PROSPECTUS SUPPLEMENT DATED MARCH 29, 2022, AND ARE INCORPORATED HEREIN BY REFERENCE. COPIES OF THE PROSPECTUS ARE AVAILABLE UPON REQUEST FROM ALLIANCE ADVISORS, LLC, THE INFORMATION AGENT FOR THE RIGHTS OFFERING, BY CALLING TOLL FREE AT (833) 786-6484, BY MAIL AT ALLIANCE ADVISORS, LLC, 200 BROADACRES DR., 3RD FLOOR, BLOOMFIELD, NJ 07003, OR BY E-MAIL AT QMCO@ALLIANCEADVISORS.COM.

QUANTUM CORPORATION

BENEFICIAL OWNER ELECTION FORM

I (We), the beneficial owner(s) of shares of (a) common stock, par value \$0.01 per share and/or (b) certain outstanding warrants to purchase shares of common stock issued on December 27, 2018 and June 16, 2020 (the "Participating Warrants"), of Quantum Corporation, a Delaware corporation (the "Company"), acknowledge receipt of your letter, the prospectus dated December 9, 2020, as supplemented by the prospectus supplement dated March 29, 2022 (as so supplemented, the "Prospectus"), and the other enclosed materials relating to the offering of non-transferable subscription rights (the "subscription rights") to purchase an aggregate of approximately 30 million shares of common stock to be issued by the Company, subject to adjustment for the number of actual shares, including shares issuable upon exercise of the Participating Warrants, outstanding as of the record date. Each subscription right gives the beneficial owner(s) thereof the right to purchase from the Company 0.422572999 of a share of common stock at a subscription price of \$2.25 per whole share, as described in the Prospectus. In addition, holders of subscription rights who fully exercise their basic subscription right will be entitled to subscribe, at the same subscription price, for a portion of any shares of common stock that other holders of subscription rights do not purchase through the exercise of their basic subscription rights, subject to pro rata adjustments, if any. The Company will not issue fractional shares in the rights offering. Instead, fractional shares resulting from the exercise of subscription rights will be eliminated by rounding down to the nearest whole share.

With respect to any instructions to exercise (or not to exercise) subscription rights, I (we) acknowledge that this form must be completed and returned such that it will actually be received by the Company by 5:00 p.m., Eastern Time, on April 18, 2022, the scheduled expiration date of the subscription period of the Rights Offering.

In this form, I (we) instruct you whether to exercise subscription rights to purchase shares of common stock distributed with respect to the shares of common stock and Participating Warrants held by you for my (our) account, pursuant to the terms and subject to the conditions set forth in the Prospectus and the related "Instructions as to Use of Rights Certificate."

I (We) hereby instruct you as follow:

(CHECK THE APPLICABLE BOXES AND PROVIDE ALL REQUIRED INFORMATION)

Box 1. Please DO NOT EXERCISE SUBSCRIPTION RIGHTS for shares of common stock.

Box 2. Please EXERCISE SUBSCRIPTION RIGHTS for shares of common stock as set forth below.

The number of subscription rights for which the undersigned gives instructions for exercise under the subscription privilege should not exceed the number of subscription rights that the undersigned is entitled to exercise.

Full Entitlement of Basic Subscription Right:

$$\frac{\text{No. of Basic Subscription Rights}}{\text{No. of Basic Subscription Rights}} \times 0.422572999 = \frac{\text{No. of Shares (rounded down to the nearest whole share)}}{\text{No. of Shares (rounded down to the nearest whole share)}} \times \frac{\$2.25}{\text{Subscription Price}} = \$ \frac{\text{Payment enclosed}}{\text{Payment enclosed}}$$

In addition, apply for Over-Subscription Privilege:

$$= \frac{\text{No. of Shares}}{\text{No. of Shares}} \times \frac{\$2.25}{\text{Subscription Price}} = \$ \frac{\text{Payment enclosed}}{\text{Payment enclosed}}$$

IF YOU DO NOT WISH TO APPLY FOR YOUR FULL ENTITLEMENT OF BASIC SUBSCRIPTION RIGHTS:

Partial Entitlement of Basic Subscription Right:

$$= \frac{\text{No. of Shares}}{\text{No. of Shares}} \times \frac{\$2.25}{\text{Subscription Price}} = \$ \frac{\text{Payment enclosed}}{\text{Payment enclosed}}$$

Box 3. Payment in the following amount is enclosed: \$ ____.

Box 4. Please deduct payment of \$ from the following account maintained by you: _____.

(The total of Box 3 and 4 must equal the total payment specified above)

Type of Account: _____

Account No.: _____

I (We) on my (our) behalf, or on behalf of any other person(s) on whose behalf, or under whose directions, I am (we are) signing this form:

- irrevocably elect to purchase the number of shares of common stock indicated above upon the terms and conditions specified in the Prospectus
- agree that if I (we) fail to pay for the shares of common stock I (we) have elected to purchase, you may exercise any remedies available to you under law

Name of beneficial owner(s): _____

Signature of beneficial owner(s): _____

Date: _____

If you are signing in your capacity as a trustee, executor, administrator, guardian, attorney-in-fact, agent, officer of a corporation or another acting in a fiduciary or representative capacity, please provide the following information:

Name: _____

Capacity: _____

Address (including Zip Code): _____

Telephone Number: _____

PLEASE NOTE:

If you check Box 1, please sign and date this form and mail it to your custodian bank, broker, dealer, or other nominee that holds your shares. If you do not check Box 1, please do the following:

- Check Box 2 and fill out the table shown in Box 2
- Check Box 3 and/or Box 4 and fill out the information indicated under Box 3 and/or Box 4
- Sign and date this form and mail it to your custodian bank, broker, dealer, or other nominee that holds your shares.

PLEASE MAKE SURE THAT YOU USE THE CORRECT ADDRESS. You may want to check this address with your custodian bank, broker, dealer, or other nominee.

THE TERMS AND CONDITIONS OF THE RIGHTS OFFERING ARE SET FORTH IN THE PROSPECTUS OF THE COMPANY, DATED DECEMBER 9, 2020, AS SUPPLEMENTED BY THE PROSPECTUS SUPPLEMENT DATED MARCH 29, 2022, AND ARE INCORPORATED HEREIN BY REFERENCE. COPIES OF THE PROSPECTUS ARE AVAILABLE UPON REQUEST FROM ADVISORS ALLIANCE, LLC, THE INFORMATION AGENT FOR THE RIGHTS OFFERING, BY CALLING TOLL FREE AT (833) 786-6484, BY MAIL AT ALLIANCE ADVISORS, LLC, 200 BROADACRES DR., 3RD FLOOR, BLOOMFIELD, NJ 07003, OR BY E-MAIL AT QMCO@ALLIANCEADVISORS.COM.

QUANTUM CORPORATION

NOMINEE HOLDER CERTIFICATION

The undersigned, a custodian bank, broker, dealer, or other nominee holder of subscription rights to purchase shares of common stock, as described in the Company's prospectus dated December 9, 2020, as supplemented by the prospectus supplement dated March 29, 2022 (as so supplemented, the "Prospectus"), hereby certifies to the Company and Computershare Trust Company, N.A., as subscription agent for the Rights Offering, that the undersigned has exercised on behalf of the beneficial owners thereof (which may include the undersigned), the subscription privilege as to the number of shares of common stock specified below on behalf of beneficial owners of subscription rights:

<u>NUMBER OF SHARES OWNED ON RECORD DATE</u>	<u>NUMBER OF SUBSCRIPTION RIGHTS EXERCISED</u>	<u>NUMBER OF SHARES SUBSCRIBED FOR PURSUANT TO BASIC SUBSCRIPTION RIGHT</u>	<u>NUMBER OF SHARES SUBSCRIBED FOR PURSUANT TO OVER-SUBSCRIPTION PRIVILEGE</u>
1.			
2.			
3.			
4.			
5.			

Name of Custodian Bank, Broker, Dealer, or Other Nominee

By: _____
Authorized Signature

Name: _____
(Please print or type)

Title: _____
(Please print or type)

Depository Trust Company ("DTC") Participant Number: _____

Participant:

By: _____
Authorized Signature

Name: _____
(Please print or type)

Title: _____
(Please print or type)

DTC Subscription Confirmation Number(s): _____



Quantum Corporation Commences Rights Offering

SAN JOSE, Calif., March 29, 2022 – Quantum Corporation (Nasdaq: QMCO) (the “Company”) today commenced the previously announced rights offering to raise gross proceeds of up to approximately \$67.5 million (the “Rights Offering”). Under the terms of the Rights Offering, all holders of record of the Company’s common stock (“Common Stock”), and holders of certain outstanding warrants to purchase shares of Common Stock issued by the Company (the “Participating Warrants”), as of 5:00 p.m. Eastern Time on March 25, 2022 (the “Record Date”), will receive, with respect to each share of Common Stock (including shares issuable upon the exercise of Participating Warrants), a subscription right to purchase 0.422572999 of a share of Common Stock, at a subscription price per share equal to \$2.25 per whole share. The subscription rights may be exercised at any time during the subscription period, which commences today and ends at 5:00 p.m. Eastern Time on April 18, 2022 (the “Expiration Date”). The subscription rights will expire if they are not exercised by the Expiration Date.

The Rights Offering will include an over-subscription right to permit each rights holder that exercises its basic subscription rights in full to purchase additional shares of Common Stock that remain unsubscribed at the expiration of the offering. The availability of over-subscription rights will be subject to certain terms and conditions, including pro rata adjustments (if any), as set forth in the subscription documents. If the Rights Offering is fully subscribed, the Company expects to issue an aggregate of approximately 30,000,000 shares of Common Stock, as more fully described in the prospectus supplement, dated March 29, 2022, relating to the Rights Offering.

The Company has separately entered into an Investment Commitment Agreement with Neuberger Berman Investment Advisers LLC (“Neuberger Berman”) on behalf of itself and certain funds managed by it, BRF Investments, LLC, B. Riley Securities, Inc., BRC Partners Opportunity Fund, LP, and certain of its other existing security holders (collectively, the “Committed Purchasers”), pursuant to which the Committed Purchasers have agreed to, subject to certain conditions, exercise their basic subscription rights in full, and certain funds managed by Neuberger Berman and certain other Committed Purchasers have further agreed to exercise over-subscription rights for the unsubscribed portion of the basic subscription rights, for up to an aggregate of approximately \$55.0 million in the Rights Offering, subject to certain ownership limitations, pro rata adjustments (if any), and other conditions as set forth in the Investment Commitment Agreement. The subscription rights will be non-transferable. If no security holders exercise their subscription rights other than the Committed Purchasers, the Company expects to receive gross proceeds of approximately \$49.0 million in the Rights Offering as a result of the ownership limitations, pro rata adjustments (if any), and other conditions as set forth in the Investment Commitment Agreement.

All of our directors and certain of our executive officers who are eligible to participate have indicated that they are planning to participate in the Rights Offering.

The Company reserves the right to amend, extend, postpone or cancel the Rights Offering at any time prior to the closing of the Rights Offering, subject to certain consent rights of the Committed Purchasers with respect any amendments as specified in the Investment Commitment Agreement.

The Company has engaged Alliance Advisors, LLC to act as information agent with respect to the Rights Offering. For questions regarding the Rights Offering, or to obtain copies of the Rights Offering prospectus supplement and any related materials, please contact the information agent, Alliance Advisors, LLC, toll free at (833) 786-6484, by email at QMCO@allianceadvisors.com, or by mail at Alliance Advisors, LLC, 200 Broadacres Dr., 3rd Floor, Bloomfield, NJ 07003.

The Rights Offering will be made pursuant to the Company’s shelf registration statement on FormS-3 filed with the Securities and Exchange Commission (the “SEC”), and related prospectus, dated December 9, 2020, as supplemented by the prospectus supplement dated March 29, 2022. Copies of the prospectus supplement and the accompanying prospectus will be delivered to eligible holders (including holders of the Participating Warrants) of record and may also be obtained at the website maintained by the SEC at www.sec.gov. Stockholders and warrant holders are urged to carefully review the prospectus supplement and the accompanying prospectus and subscription documents and consult with their own legal and financial advisors in deciding whether or not to exercise their subscription rights.

This press release does not constitute an offer to sell or the solicitation of an offer to buy these securities, nor will there be any sale of these securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful. Any offer will be made only by means of a prospectus and prospectus supplement forming part of the registration statement.

The Company currently expects to use the proceeds from the offering for working capital and general corporate purposes, as well as partial repayment of the Company's indebtedness. The Company will have broad discretion as to the use of any proceeds from the Rights Offering.

Investor Relations Contacts:

Shelton Group
Jeffrey Schreiner
P: 512-243-8976
E: sheltonir@sheltongroup.com

Forward-Looking Information

Statements in this press release that are not historical in nature constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 ("Exchange Act"). These forward-looking statements are largely based on our current expectations and estimates about future events and financial trends affecting our business. Such forward-looking statements include, but are not limited to, the following: the terms of the Rights Offering; expected gross proceeds from and the number of shares to be issued in the Rights Offering; expected gross proceeds from the Committed Purchasers; participation of our directors and officers in the Rights Offering; and the anticipated use of proceeds from the Rights Offering.

These forward-looking statements may be identified by the use of terms and phrases such as "anticipates", "believes", "can", "could", "estimates", "expects", "forecasts", "intends", "may", "plans", "projects", "targets", "will", and similar expressions or variations or the negative of these terms and similar phrases. Additionally, statements concerning future matters and other statements regarding matters that are not historical are forward-looking statements. Investors are cautioned that these forward-looking statements relate to future events or our future performance and are subject to business, economic, and other risks and uncertainties, both known and unknown, that may cause actual results, levels of activity, performance or achievements to be materially different from those expressed or implied by any forward-looking statements. Risks and uncertainties that could cause actual results to differ materially from those discussed in these forward-looking statements include, without limitation, the following: risks related to the need to address the many challenges facing our business; the potential impact of the COVID-19 pandemic on our business, including potential disruptions to our supply chain, employees, operations, sales and overall market conditions; the competitive pressures we face; risks associated with executing our strategy; the distribution of our products and the delivery of our services effectively; our ability to integrate the business, products, employees and other aspects of Pivot3's video surveillance business; the development and transition of new products and services and the enhancement of existing products and services to meet customer needs and respond to emerging technological trends; estimates and assumptions related to the cost (including any possible disruption of our business) and the anticipated benefits of the Rights Offering; termination of the Investment Commitment Agreement or the Rights Offering or changes to the terms thereof; our stock price performance and general stock market volatility; the impact of political and economic instability and geopolitical tensions, including outbreak of hostilities, wars, or other acts of aggression, such as the current conflict in Ukraine, terrorism and political unrest, boycotts, curtailment of trade, government sanctions and other business restrictions; the outcome of any claims and disputes; and other risks that are described herein, including but not limited to the items discussed in "Risk Factors" in our filings with the SEC, including our Annual Report on Form 10-K filed with the SEC on May 26, 2021 and our Quarterly Report on Form 10-Q filed on February 9, 2022. We do not intend to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law or regulation.