
**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): May 22, 2024

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 1.01 Entry into a Material Definitive Agreement.***Amendment and Waiver to Credit Agreements***

On May 24, 2024, Quantum Corporation (the “Company”) entered into an amendment and waiver (the “Term Loan Amendment”) to the Term Loan Credit and Security Agreement, dated as of August 5, 2021 (as the same has been and may further be amended, modified, supplemented, renewed, restated or replaced from time to time, the “Term Loan Credit Agreement”), with Quantum LTO Holdings, LLC, a wholly-owned subsidiary of the Company (“Quantum LTO”), the other borrowers and guarantors from time to time party thereto, the lenders from time to time party thereto, and Blue Torch Finance LLC, as disbursing agent and collateral agent for such lenders. The Term Loan Amendment, among other things, waives certain requirements to test certain financial covenants and any default that might arise as a result of the restatement of certain of the Company’s historical financial statements.

On May 24, 2024, the Company entered into an amendment and waiver (the “Revolver Amendment”) to the Amended and Restated Revolving Credit and Security Agreement, dated as of December 27, 2018, with Quantum LTO, the other borrowers and guarantors from time-to-time party thereto, the lenders from time to time party thereto, and PNC Bank, National Association, as administrative agent and collateral agent for such lenders. The Revolver Amendment, among other things, waives certain requirements to test certain financial covenants and any default that might arise as a result of the restatement of certain of the Company’s historical financial statements.

The foregoing descriptions of the Term Loan Amendment and the Revolver Amendment do not purport to be complete and are qualified in their entirety by reference to the full text of the Term Loan Amendment and the Revolver Amendment, copies of which are filed as Exhibits 10.1 and 10.2, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

Warrants to Purchase Stock

In connection with the Term Loan Amendment, on May 24, 2024, the Company issued to the lenders of the term loans under the Term Loan Credit Agreement warrants (the “2024 Term Loan Warrants”) to purchase an aggregate of 2,000,000 shares of the Company’s common stock (the “Common Stock”), at a purchase price of \$0.46. The exercise price and the number of shares underlying the 2024 Term Loan Warrants are subject to adjustment in the event of specified events, including dilutive issuances at a price lower than the exercise price of the 2024 Term Loan Warrants, a subdivision or combination of the Common Stock, a reclassification of the Common Stock or specified dividend payments. Upon exercise, the aggregate exercise price may be paid, at each warrant holder’s election, in cash or on a net issuance basis, based upon the fair market value of the Common Stock at the time of exercise.

The issuance of the 2024 Term Loan Warrants and any shares of Common Stock issuable thereunder are exempt from registration pursuant to the exemption for transactions by an issuer not involving any public offering under Section 4(a)(2) the Securities Act of 1933 (the “Securities Act”) and Regulation D under the Securities Act. The 2024 Term Loan Warrants and any shares of Common Stock issuable thereunder have not been registered under the Securities Act or any state securities laws and may not be offered or sold in the United States absent registration with the Securities and Exchange Commission (the “SEC”) or an applicable exemption from the registration requirements.

The foregoing description of the 2024 Term Loan Warrants does not purport to be complete and is qualified in its entirety by reference to the full text of the 2024 Term Loan Warrants, copies of which are filed as Exhibits 4.1 and 4.2 to this Current Report on Form 8-K and are incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities.

The information set forth under the heading “Warrants to Purchase Stock” in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

Item 4.02 Non-Reliance on Previously Issued Financial Statements or Related Audit Report or Completed Interim Review.

The Company has completed a major step in the process of regaining compliance with its financial reporting obligations and, as a result, has significantly increased confidence in the timing of the filing of its periodic reports with the SEC. After completing the extensive review process described in more detail below, on May 22, 2024, the Company’s Board of Directors (the “Board”) concluded that the Company’s previously-issued (i) audited consolidated financial statements for the fiscal years ended March 31, 2023 and March 31, 2022 contained in its Annual Reports on Form 10-K, (ii) unaudited interim condensed consolidated financial statements for each of the first three quarters in such years contained in its Quarterly Reports on Form 10-Q and (iii) unaudited interim condensed consolidated financial statements for the fiscal quarter ended June 30, 2023 contained in its Quarterly Report on Form 10-Q (collectively, the “Non-Reliance Periods”), as well as its disclosures related to such financial statements, including any reports, earnings releases, and investor presentations, and related communications issued by or on behalf of the Company with respect to the Non-Reliance Periods, should no longer be relied upon. The determination by the Board was made upon the recommendation of the Audit Committee (the “Audit Committee”) of the Board and after consultation with the Company’s management team. The Company discussed these matters with Grant Thornton LLP (“Grant Thornton”), the Company’s current independent registered accounting firm and Armanino LLP (“Armanino”), the Company’s predecessor auditors during the relevant periods.

Subsequent to its engagement of Grant Thornton in August 2023 as its independent registered public accounting firm for the fiscal year ending March 31, 2024, the Company determined that it was necessary to re-evaluate the Company’s application of standalone selling price under Accounting Standards Codification Topic 606 (“Topic 606”). The Company concluded that its application of Topic 606 related to standalone selling price was inconsistent with the generally accepted application of the guidance. The Company’s management reperformed the determination of standalone selling price with the support of external advisors, and the resulting calculations have been applied to the revenue allocations in the fiscal years ended March 31, 2024, March 31, 2023 and March 31, 2022. The Company additionally identified contractual terms contained within a series of outstanding warrant agreements issued to its prior and current lenders in 2018, 2020 and 2023, which required further evaluation under Accounting Standards Codification Topic 815 (“Topic 815”). After consulting with external advisors and completing an extensive review process, management concluded that the classification of warrants as equity was not consistent with Topic 815 and has restated them as a liability. This also results in the requirement to account for the change in the fair value of the warrants through the Statement of Operations. As a result of these errors, the Company will restate the financial statements for the Non-Reliance Periods (the “Restatement”).

Based on the Company’s re-evaluation of the above-described accounting, the Company currently estimates that the Restatement will result in an increase in previously reported revenue and net income for each of financial periods within the Non-Reliance Periods. These estimated revenue adjustments would decrease the deferred revenue on the Company’s balance sheet for the corresponding periods. In addition, the Restatement does not impact the Company’s cash and cash equivalents, invoicing or contractual obligations to customers. The Board has also determined that there was no evidence of any fraud or intentional misconduct related to the Restatement. The income and equity to be corrected in the Restatement were a result of the prior misapplication of certain accounting standards contained within Topic 606 and Topic 815. In addition, the change of accounting for outstanding warrants does not impact the Company’s ongoing operations or its obligations to prior or current lenders.

The Company is continuing to evaluate the effectiveness of its internal control over financial reporting to determine whether one or more material weaknesses exist due to the restatements described above. The Company's assessment of the effectiveness of its internal control over financial reporting will be described in more detail in the Annual Report on Form 10-K for the year ended March 31, 2024 (the "2024 10-K").

The Audit Committee has discussed the matters disclosed in this Item 4.02 of this Current Report on Form 8-K with Grant Thornton, the Company's independent registered public accounting firm, and Armanino, the Company's auditors for the fiscal years ended March 31, 2023 and March 31, 2022 and interim periods through June 30, 2023.

As previously reported, the Company has delayed the filing of its Quarterly Reports on Form 10-Q for the quarterly periods ended September 30, 2023 and December 31, 2023 (the "Pending 10-Qs"). The Company is in the final stages of confirming the revised financial results to be reflected in the Restatement and expects to file the Pending 10-Qs and the 2024 10-K, as well as its restated results in a super 10-K. The Company expects to release financial results for its fiscal fourth quarter and full year ended March 31, 2024 on Monday, June 17, 2024 and intends to hold a conference call to discuss these results. Additional information about the earnings call will be provided by the Company in a subsequent announcement.

Forward-Looking Statements

This Item 4.02 of this Current Report on Form 8-K contains "forward-looking" statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. The Company advises caution in reliance on forward-looking statements. Forward-looking statements include, without limitation: statements related to the completion of the Company's review of accounting matters and audit of the Company's financial statements; the Company's plans to file the Pending 10-Qs, the 2024 10-K and conference call relating to such results, including the timing thereof; expectations with respect to how the adjustments will impact the Company's financial statements; expectations regarding whether the adjustments will impact the Company's invoicing, cash, contractual obligations to its customers, operations or its obligations to prior or current lenders; and the Company's plans, objectives and intentions, that are not historical facts generally. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statement, including without limitation: the final outcome of the evaluation of accounting matters and the impact of the adjustments to the Company's financial statements; the discovery of additional and unanticipated information during the re-evaluation and audit of the Company's financial statements, including its evaluation of effectiveness of internal control over financial reporting; risks related to the timely completion of the evaluation and filing of the Pending 10-Qs and the 2024 10-K; changes in assumptions regarding how the evaluation will impact the Company's financial results; the application of accounting or tax principles in an unanticipated manner; the possibility that the Nasdaq may delist the Company's common stock; risks related to the Company's ability to implement and maintain effective internal control over financial reporting in the future; and the impact of these factors on the Company's performance and outlook. See also other risks that are described in "Risk Factors" in the Company's filings with the SEC, including its Annual Report on Form 10-K filed with the SEC for the fiscal year ended March 31, 2023, and any subsequent reports filed with the SEC. All forward-looking statements in this Item 4.02 are based on information available to the Company as of the date of this filing. The Company expressly disclaims any obligation to update or alter its forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| Exhibit No. | Description |
|------------------------|---|
| 4.1 | <u>Form of Warrant to Purchase Common Stock, dated May 24, 2024.</u> |
| 4.2 | <u>Warrant to Purchase Common Stock, dated May 24, 2024, issued to OC III LVS XL LP.</u> |
| 10.1 | <u>Eighth Amendment and Waiver to Term Loan Credit and Security Agreement, dated May 24, 2024, by and among the Company, Quantum LTO Holdings, LLC, the lenders party thereto, and Blue Torch Finance LLC, as disbursing agent and collateral agent.</u> |
| 10.2 | <u>Fourteenth Amendment and Waiver to Amended and Restated Revolving Credit and Security Agreement, dated May 24, 2024, by and among the Company, Quantum LTO Holdings, LLC, the lenders party thereto, and PNC Bank, National Association, as agent.</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: May 29, 2024

QUANTUM CORPORATION

By: /s/ Kenneth P. Gianella

Name: Kenneth P. Gianella

Title: Chief Financial Officer

THIS WARRANT AND THE SHARES ISSUABLE HEREUNDER HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR ANY APPLICABLE STATE SECURITIES LAWS, AND, EXCEPT AND PURSUANT TO THE PROVISIONS OF SECTION 15 BELOW, MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO RULE 144 OR ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

QUANTUM CORPORATION
WARRANT TO PURCHASE COMMON STOCK

Warrant No.: 2024-[]
Number of Shares of Common Stock: []
Date of Issuance: May 24, 2024 (“**Issuance Date**”)
Common Stock CUSIP No. 747906 501

Quantum Corporation, a company incorporated under the laws of state of Delaware (the “**Company**”), hereby certifies that, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, [], a [], the registered holder hereof or its permitted assigns (the “**Holder**”), is entitled, subject to the terms set forth below, to purchase from the Company, at the Exercise Price (as defined below) then in effect, at any time or times on or after the Issuance Date, but not after the Expiration Time (as defined below), [] fully paid non-assessable shares of Common Stock (as defined below), subject to adjustment as provided herein, including issuance of Additional Warrant Shares (the “**Warrant Shares**”). Except as otherwise defined herein, capitalized terms in this Warrant to Purchase Common Stock (including any Warrants to Purchase Common Stock issued in exchange, transfer or replacement hereof, this “**Warrant**”), shall have the meanings set forth in Section 17. This Warrant has been issued in connection with that certain Eighth Amendment and Waiver to Term Loan Credit And Security Agreement, dated as of the Issuance Date, among the Company, the guarantors party thereto, the lenders party thereto, and Blue Torch Finance LLC, as Agent.

1. EXERCISE OF WARRANT.

- (a) Mechanics of Exercise. Holder may exercise this Warrant in whole or in part and from time to time prior to the Expiration Time by delivering a duly completed and executed Notice of Exercise in substantially the form attached hereto as Exhibit A (each, a “**Notice of Exercise**”) to the principal office of the Company. Unless the Holder is exercising the Cashless Exercise right set forth in Section 1.1(c), the Holder shall also deliver to the Company a check, wire transfer (to an account designated in writing by the Company), or other form of payment acceptable to the Company for the aggregate Exercise Price for the Warrant Shares being purchased.

- (b) Exercise Price. For purposes of this Warrant, “**Exercise Price**” means \$0.46, subject to adjustment as provided herein.
- (c) Cashless Exercise Right. In lieu of exercising this Warrant as specified in Section 1.1(a), the Holder may from time to time, in its sole discretion, exercise this Warrant in whole or in part as to the portion of the Warrant that is exercisable and, in lieu of making the cash payment otherwise contemplated to be made to the Company upon such exercise for the aggregate Exercise Price pursuant to Section 1.1(a), elect instead to receive upon such exercise the “net number” of Warrant Shares determined according to the following formula (a “**Cashless Exercise**”):

$$X = \frac{Y (A - B)}{A}$$

Where:

- X = The number of Warrant Shares to be issued to the Holder
- Y = The number of Warrant Shares being exercised under this Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being canceled (at the date of such calculation)
- A = The fair market value of one share of Common Stock (as determined pursuant to Section 1.1(d))
- B = The Exercise Price (as adjusted to the date of such calculation)
- (d) Calculation of FMV. For purposes of the calculation above, the fair market value of one share of Common Stock shall be the average of the daily volume weighted average for the five Trading Days immediately prior to the date of determination thereof or, in the case no such sale takes place on any such Trading Day, the average of the reported closing bid and asked prices regular way of the shares of Common Stock on such Trading Day, in each case as quoted on the Principal Market, as reported by Bloomberg, or such other principal securities exchange or inter-dealer quotation system, in each case, on which the shares of Common Stock are then traded. In the event the Common Stock is not quoted on the Principal Market or reported on any other national securities exchange or inter-dealer quotation system, the fair market value of one share of Common Stock shall be the last trade price of the Common Stock in the over-the-counter market on the electronic bulletin board for such security as reported by Bloomberg, or, if no last trade price is reported for the Common Stock by Bloomberg, the average of the ask prices of any market makers for the Common Stock as reported in the “pink sheets” by OTC Markets Group Inc. If the fair market value of one share of Common Stock cannot be calculated on a particular date on any of the foregoing bases, the fair market value of one share of Common Stock on such date shall be mutually determined by the Company and the Holder; provided, that if the Company and the Holder are unable to agree upon the fair market value of such security, then such dispute shall be resolved in accordance with the procedures in Section 1(e).

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- (e) Disputes. In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Warrant Shares, the Company shall promptly issue to the Holder the number of Warrant Shares that are not disputed and resolve such dispute in accordance with Section 13.
- (f) Required Reserve Amount. So long as this Warrant remains outstanding, the Company shall at all times reserve and keep available for issuance under this Warrant, out of its authorized but unissued Common Stock, such number of shares of Common Stock at least equal to 100% of the maximum number of shares of Common Stock as shall be necessary to satisfy the Company's obligation to issue Warrant Shares under this Warrant (without regard to the 4.9% Cap or any other restriction or limitation on exercise) (the "**Required Reserve Amount**"); provided that at no time shall the number of shares of Common Stock reserved pursuant to this Section 1(f) be reduced other than in connection with any exercise of this Warrant.
- (g) Insufficient Authorized Shares. If at any time while this Warrant remains outstanding the Company does not have a sufficient number of authorized but unissued shares of Common Stock to satisfy its obligation to reserve for issuance the Required Reserve Amount (an "**Authorized Share Failure**"), then the Company shall immediately take all action necessary to increase the Company's authorized shares of Common Stock to an amount sufficient to allow the Company to reserve and keep available the Required Reserve Amount for this Warrant. 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 seventy-five (75) days after the occurrence of such Authorized Share Failure, the Company shall hold a meeting of its shareholders 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 shareholder of the Company with a proxy statement and shall use its best efforts to solicit its shareholders' approval of such increase in authorized shares of Common Stock and the Board shall recommend to the shareholders that they approve such proposal. Notwithstanding the foregoing, if any such time of an Authorized Share Failure, the Company is able to obtain the written consent of a majority of the shares of its issued and outstanding shares of Common Stock to approve the increase in the number of authorized shares of Common Stock, the Company may satisfy this obligation by obtaining such written consent and submitting for filing with the SEC an Information Statement on Schedule 14C.

(h) Exercise Restriction.

- (i) Notwithstanding anything herein to the contrary, the Company shall not issue to Holder, and Holder may not acquire, a number of shares of Common Stock upon exercise of this Warrant to the extent that, upon such exercise, the number of shares of Common Stock then beneficially owned by Holder and its Affiliates and any other persons or entities whose beneficial ownership of Common Stock would be aggregated with Holder's for purposes of Section 13(d) of Exchange Act (including shares held by any Group of which Holder is a member, but excluding shares beneficially owned by virtue of the ownership of securities or rights to acquire securities that have limitations on the right to convert, exercise or purchase similar to the limitation set forth herein) would exceed 4.9% of the total number of shares of Common Stock then issued and outstanding (the "**4.9% Cap**"); provided, however, that the 4.9% Cap shall only apply to the extent that the Common Stock is deemed to constitute an "equity security" pursuant to Rule 13d-1(i) promulgated under the Exchange Act; and provided, further, that no changes shall be made to the 4.9% Cap without the prior written consent of the Company. For purposes hereof, the percentage beneficially owned by Holder shall be determined in a manner consistent with the provisions of Section 13(d) of the Exchange Act. Upon the written request of Holder, the Company shall, within two (2) Business Days, confirm orally and in writing to Holder the number of shares of Common Stock then outstanding.
- (ii) Notwithstanding anything herein to the contrary, the Company shall not effect the exercise of any portion of this Warrant, and the Holder shall not have the right to exercise any portion of this Warrant, and any such exercise shall be null and void *ab initio* and treated as if never made, to the extent that (1) after giving effect to such exercise, the number of Warrant Shares then beneficially owned by the Holder and its Affiliates and any other Persons or entities whose beneficial ownership of Common Stock would be aggregated with the Holder's for purposes of Section 13(d) of the Exchange Act (including any shares held by any "group" of which the Holder is a member, but excluding shares beneficially owned by virtue of the ownership of securities or rights to acquire securities that have limitations on the right to exchange, convert, exercise or purchase similar to the limitation set forth herein) would exceed 19.99% of the total number of Common Stock issued and outstanding or (2) such issuance, when aggregated with any other Common Stock theretofore or simultaneously therewith issued to or otherwise beneficially owned by the Holder and its Affiliates and any other Persons or entities whose beneficial ownership of Common Stock would be aggregated with the Holder's for purposes of Section 13(d) of the Exchange Act (including any shares of Common Stock held by any "group" of which the Holder is a member, but excluding shares of Common Stock beneficially owned by virtue of the ownership of securities or rights to acquire securities that have limitations on the right to exchange, convert, exercise or purchase similar to the limitation set forth herein) would otherwise result in a "change of control" of the Company within the meaning of Nasdaq Listing Rule 5635(b); except that such limitation shall not apply in the event that the Company obtains all necessary shareholder approvals for such exchange in accordance with the Nasdaq Listing Rules. For purposes hereof, "group" has the meaning set forth in Section 13(d) of the Exchange Act and applicable regulations of the SEC, and the percentage held by the Holder shall be determined in a manner consistent with the provisions of Section 13(d) of the Exchange Act.

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- (i) Automatic Exercise. To the extent that there has not been an exercise of this Warrant pursuant to this Section 1, any portion of the Warrant that remains unexercised shall be exercised automatically, with no further action required on the part of the Holder, in whole (not in part), immediately prior to the Expiration Time through a Cashless Exercise in the manner set forth in Section 1(c).
2. ADJUSTMENT OF EXERCISE PRICE AND NUMBER OF WARRANT SHARES. The Exercise Price and the number of Warrant Shares shall be adjusted from time to time as follows:
- (a) Adjustment upon Issuance of Shares of Common Stock, Options and Convertible Securities If on or after the Issuance Date, the Company issues or sells any shares of Common Stock, Common Stock Equivalents, Options or Convertible Securities (including, in each case, the issuance or sale of shares of Common Stock owned or held by or for the account of the Company, but excluding shares of Common Stock issued by the Company in connection with any Excluded Securities) for a consideration per share (including upon exercise, exchange or conversion) of less than the Exercise Price as of the date hereof (the "**Applicable Price**", and any such issuance a "**Dilutive Issuance**"), then, immediately after such Dilutive Issuance, the Exercise Price immediately after such Dilutive Issuance shall be equal to the quotient of (A) the sum of (x) the product of (I) the Exercise Price in effect immediately prior to such Dilutive Issuance, multiplied by (II) the aggregate number of shares of Common Stock outstanding immediately prior to such Dilutive Issuance, calculated on a Fully-Diluted Basis, plus (y) the consideration, if any, received by the Company upon such issuance or sale (or, with respect to any Convertible Securities, Common Stock Equivalents, Options, the exercise price or conversion price, as applicable, of such securities as of the date of such issuance or sale), divided by (B) the aggregate number of shares of Common Stock outstanding immediately after such Dilutive Issuance, calculated on a Fully-Diluted Basis. Upon each such adjustment of the Exercise Price hereunder, the number of shares of Common Stock purchasable upon the exercise of this Warrant shall be equal to the quotient of (A) the Exercise Price in effect immediately prior to such Dilutive Issuance multiplied by the number of shares of Common Stock that the Holder would have been entitled to purchase upon exercise of this Warrant (without regard to any restriction or limitation on exercise) immediately prior to such adjustment, divided by (B) the Exercise Price resulting from such adjustment (such additional number of shares of Common Stock in excess of the Warrant Shares after giving effect to this sentence, the "**Additional Warrant Shares**"). The Company will not take any action that would result in an adjustment under this Section 2 and would require prior approval by its shareholders under any then applicable listing rules of The Nasdaq Stock Market LLC (a "**Nasdaq Stockholder Required Approval Event**") without first obtaining such approval. Upon the occurrence of a Nasdaq

Stockholder Required Approval Event, the Company shall immediately use its best efforts to allow it to make any adjustment required under this Section 2. Without limiting the generality of the foregoing, upon the occurrence of a Nasdaq Stockholder Required Approval Event, the Company shall, as soon as practicable after the date of the occurrence thereof, but in no event later than seventy-five (75) days after the occurrence thereof, hold a meeting of its shareholders for the approval of the issuance of Warrant Shares in excess of any then current Nasdaq restrictions on any such issuance (“**Excess Warrant Shares**”). In connection with such shareholder meeting, the Company shall provide each shareholder with a proxy statement and shall use its best efforts to solicit its shareholders’ approval of such issuance and the Board shall recommend to the shareholders that they approve such proposal. Notwithstanding the foregoing, if at any such time of a Nasdaq Stockholder Required Approval Event, the Company is able to obtain the written consent of a majority of its issued and outstanding shares of Common Stock to approve the issuance of Excess Warrant Shares, the Company may satisfy its obligations pursuant to the immediately preceding sentence by obtaining such written consent and submitting for filing with the SEC an Information Statement on Schedule 14C. In the event that (i) the Company has not obtained stockholder approval for the issuance of Excess Warrant Shares or there is an Authorized Share Failure and (ii) the Holder has exercised this Warrant and is entitled to receive Warrant Shares that would constitute Excess Warrant Shares or be in excess of the Company’s then-authorized shares of Common Stock, then, in lieu of the Company issuing such Excess Warrant Shares or other shares of Common Stock in excess of the Company’s authorized shares of Common Stock (“**Unauthorized Excess Warrant Shares**”), the Company shall pay the Holder an amount in cash equal to (Y) the fair market value of one share of Common Stock (calculated in accordance with Section 1.1(d), with the date of determination being the date of exercise) multiplied by (Z) each Excess Warrant Share or Unauthorized Excess Warrant Shares.

- (b) Change in Option Price or Rate of Conversion. On or after the Issuance Date, if the purchase price provided for in any Options, the additional consideration, if any, payable upon the issue, conversion, exercise or exchange of any Convertible Securities or Common Stock Equivalents, or the rate at which any Convertible Securities or Common Stock Equivalents are convertible into or exercisable or exchangeable for shares of Common Stock increases or decreases at any time (collectively, a “**Consideration Adjustment**”), then the Exercise Price in effect at the time of such increase or decrease shall be adjusted to the Exercise Price which would have been in effect at such time had such Options, Common Stock Equivalents or Convertible Securities provided for such increased or decreased purchase price, additional consideration or increased or decreased conversion rate, as the case may be, at the time initially granted, issued or sold; provided that for the avoidance of doubt, no Additional Warrant Shares will be issued in connection with any such increase or decrease pursuant to the currently existing terms of any currently outstanding Company warrants. Except as contemplated by Section 2(h), no adjustment pursuant to this Section 2 shall be made if such adjustment would result in an increase of the Exercise Price then in effect or a decrease in the number

of Additional Warrant Shares or Warrant Shares issuable under this Warrant. Additionally, for the avoidance of doubt, neither a Reclassification (as defined below) nor a stock dividend to all holders of Common Stock shall be treated as issuances with zero consideration under this Section, and no adjustment pursuant to Section 2(a) will result in a further adjustment to this Warrant under this Section so long as any Consideration Adjustment of any Options constitutes “consideration” for the purposes of the adjustment provided in Section 2(a).

- (c) Record Date. If the Company takes a record of the holders of shares of Common Stock for the purpose of entitling them (i) to receive a dividend or other distribution payable in shares of Common Stock, Common Stock Equivalents, Options or in Convertible Securities or (ii) to subscribe for or purchase shares of Common Stock, Common Stock Equivalents, Options or Convertible Securities, then such record date will be deemed to be the date of the issue or sale of the shares of Common Stock deemed to have been issued or sold upon the declaration of such dividend or the making of such other distribution or the date of the granting of such right of subscription or purchase, as the case may be.
- (d) Voluntary Adjustment By Company. Subject to the prior consent of the Principal Market, the Company may at any time during the term of this Warrant reduce the then current Exercise Price to any amount and for any period of time deemed appropriate by the Board.
- (e) Adjustment Upon Subdivision or Combination of Common Stock. If the Company at any time on or after the Issuance Date subdivides (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced and the number of Warrant Shares and Additional Warrant Shares will be proportionately increased. If the Company at any time on or after the Issuance Date combines (by combination, reverse stock split or otherwise) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the Exercise Price in effect immediately prior to such combination will be proportionately increased and the number of Warrant Shares and Additional Warrant Shares will be proportionately decreased. Any adjustment under this Section 2(e) shall become effective at the close of business on the date the subdivision or combination becomes effective.
- (f) Adjustment Upon Reclassification. If the securities issuable upon exercise of this Warrant are changed into the same or a different number of securities of any other class or classes by reclassification, capital reorganization or otherwise (other than as otherwise provided for herein) (a “**Reclassification**”), then, in any such event, in lieu of the number of Warrant Shares and Additional Warrant Shares which the Holder would otherwise have been entitled to receive, the Holder shall have the right thereafter to exercise this Warrant for a number of shares of such other class or classes of securities that a holder of the number of securities deliverable upon exercise of this Warrant immediately before that change would have been entitled to receive in such Reclassification, all subject to further adjustment as provided herein with respect to such other securities.

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- (g) Other Events. If, on or after the Issuance Date, any event occurs of the type contemplated by the provisions of this Section 2 but not expressly provided for by such provisions (including, without limitation, the granting of stock appreciation rights, phantom stock rights or other rights with equity features), then the Board will, in good faith, make an appropriate adjustment in the Exercise Price, and the number of Warrant Shares or Additional Warrant Shares, as applicable, as mutually determined by the Board and the Holders, each acting in good faith, so as to protect the rights of the Holders; provided that no such adjustment pursuant to this Section 2(g) will increase the Exercise Price, or decrease the number of Warrant Shares or Additional Warrant Shares, as applicable, as otherwise determined pursuant to this Section 2.
3. RIGHTS UPON DISTRIBUTION OF ASSETS. In addition to any adjustments pursuant to Section 2 above, if, on or after the Issuance Date and on or prior to the Expiration Date, 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, by way of return of capital or otherwise (including, without limitation, any distribution of cash, stock or other securities, property, options, evidence of indebtedness or any other assets by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction) (a "**Distribution**"), then, in each such case, the Holder shall be entitled to participate in such Distribution to the same extent that the Holder would have participated therein if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to the 4.9% Cap or any other restriction or limitation on exercise) immediately before the date of which a record is taken for such Distribution, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for their participation in such Distribution (provided, however, that to the extent that the Holder's right to participate in any such Distribution would result in the Holder and the other Attribution Parties exceeding the 4.9% Cap, then the Holder shall not be entitled to participate in such Distribution to such extent (and shall not be entitled to beneficial ownership of such shares of Common Stock as a result of such Distribution (and beneficial ownership) to such extent) and the portion of such Distribution shall be held in abeyance for the benefit of the Holder until such time or times as its right thereto would not result in the Holder and the other Attribution Parties exceeding the 4.9% Cap, at which time or times the Holder shall be granted such Distribution (and any Distributions declared or made on such initial Distribution or on any subsequent Distribution held similarly in abeyance) to the same extent as if there had been no such limitation).
4. PURCHASE RIGHTS; FUNDAMENTAL TRANSACTION.
- (a) Purchase Rights. In addition to any adjustments pursuant to Section 2, if at any time on or after the Issuance Date and on or prior to the Expiration Date the Company (i) grants, issues or sells any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property *pro rata* to the record holders

of any class of Common Stock (the "**Purchase Rights**"), then the Holder will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which the Holder could have acquired if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to the 4.9% Cap or any other restriction or limitation on exercise) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, (provided, however, that to the extent that the Holder's right to participate in any such Purchase Right would result in the Holder and the other Attribution Parties exceeding the 4.9% Cap, then the Holder shall not be entitled to participate in such Purchase Right to such extent (and shall not be entitled to beneficial ownership of such Common Stock as a result of such Purchase Right (and beneficial ownership) to such extent) and such Purchase Right to such extent shall be held in abeyance for the benefit of the Holder until such time or times as its right thereto would not result in the Holder and the other Attribution Parties exceeding the 4.9% Cap, at which time or times the Holder shall be granted such right (and any Purchase Right granted, issued or sold on such initial Purchase Right or on any subsequent Purchase Right to be held similarly in abeyance) to the same extent as if there had been no such limitation) or, if no such record is taken, the date as of which the record holders of Common Stock are to be determined for the grant, issuance or sale of such Purchase Rights, or (ii) conducts any Pro Rata Repurchase Offer, the Holder shall be permitted to (but shall not be obligated to) participate, in whole or in part, on an as-converted basis in such Pro Rata Repurchase Offer, provided that, notwithstanding any other provision hereof, such participation may at the election of the Holder be conditioned upon the consummation of such transaction, in which case such participation shall not be deemed to be effective until immediately prior to the consummation of such transaction.

- (b) Fundamental Transactions. The Company shall not enter into or be party to a Fundamental Transaction unless the Successor Entity assumes in writing, pursuant to written agreements in form and substance satisfactory to the Holder, all of the obligations of the Company under this Warrant and all other Transaction Documents in accordance with the provisions of this Section 4(b), including agreements to deliver to the Holder in exchange for this Warrant a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Warrant, but which is exercisable for a corresponding number of shares of capital stock equivalent to the shares of Common Stock issuable upon exercise of this Warrant (without regard to the 4.9% Cap or any other restriction or limitation on exercise) prior to such Fundamental Transaction, and with an exercise price which applies the exercise price hereunder to such shares of capital stock (taking into account the relative value of the shares of Common Stock pursuant to such Fundamental Transaction and the value of such shares of capital stock, such adjustments to the number of shares of capital stock and such exercise price being for the purpose of appropriately reflecting the economic value of this Warrant immediately prior to the consummation of such Fundamental Transaction, in each case, as mutually determined by the Company and the Holder, each acting reasonably and in good faith; provided, however, in the event of any dispute

between the Company or the Successor Entity, on the one hand, and the Holder, on the other hand, regarding such valuation, exercise price, and share adjustment determinations, such dispute shall be resolved in accordance with Section 12). Upon the consummation of each Fundamental Transaction, the Successor Entity shall succeed to, and be substituted for the Company (so that from and after the date of such Fundamental Transaction, each and every provision of this Warrant referring to the “**Company**” shall instead refer to the Successor Entity), and the Successor Entity may exercise every prior right and power of the Company and shall assume all prior obligations of the Company under this Warrant with the same effect as if the Successor Entity had been named as the Company in this Warrant. On or prior to the consummation of each Fundamental Transaction, the Successor Entity shall deliver to the Holder confirmation that there shall be issued upon exercise of this Warrant at any time after the consummation of the Fundamental Transaction, in lieu of the shares of Common Stock (or other securities, cash, assets or other property purchasable upon the exercise of this Warrant prior to such Fundamental Transaction), such shares of stock, securities, cash, assets or any other property whatsoever (including warrants or other purchase or subscription rights), which for purposes of clarification may continue to be shares of Common Stock, if any, that the Holder would have been entitled to receive upon the happening of such Fundamental Transaction or the record, eligibility or other determination date for the event resulting in such Fundamental Transaction, had this Warrant been exercised immediately prior to such Fundamental Transaction or the record, eligibility or other determination date for the event resulting in such Fundamental Transaction (without regard to the 4.9% Cap or any other restriction or limitation on exercise), as adjusted in accordance with the provisions of this Warrant. Notwithstanding the foregoing, and without limiting the provisions of Section 1(f) hereof, the Holder may elect, at its sole discretion, by delivery of a written notice to the Company, to permit a Fundamental Transaction without the required assumption of this Warrant. In addition to and not in substitution for any other rights hereunder, prior to the consummation of any Fundamental Transaction pursuant to which holders of Common Stock are entitled to receive securities, cash, assets or other property with respect to or in exchange for Common Stock (a “**Corporate Event**”), the Company shall make appropriate provision to ensure that, and any applicable Successor Entity shall ensure that, the Holder will thereafter have the right to receive upon exercise of this Warrant at any time after the consummation of the Corporate Event, shares of Common Stock or capital stock of the Successor Entity or, if so elected by the Holder, in lieu of the shares of Common Stock (or other securities, cash, assets or other property) (except such items still issuable under Sections 3 and 4(a)), which shall continue to be receivable thereafter) issuable upon exercise of this Warrant prior to such Corporate Event, such shares of stock, securities, cash, assets or any other property whatsoever (including warrants or other purchase or subscription rights) which the Holder would have been entitled to receive upon the consummation of such Corporate Event or the record, eligibility or other determination date for the event resulting in such Corporate Event, had this Warrant been exercised immediately prior to such Corporate Event or the record, eligibility or other determination date for the event

resulting in such Corporate Event (without regard to the 4.9% Cap or any other restriction or limitation on exercise). Provision made pursuant to the preceding sentence shall be in a form and substance reasonably satisfactory to the Holder. The provisions of this Section 4(b) shall apply similarly and equally to successive Fundamental Transactions and Corporate Events. Notwithstanding anything to the contrary stated herein, to the extent a Fundamental Transaction constitutes a Successor Major Transaction, (i) the Company shall provide written notice thereof to the Holder at least thirty (30) days prior to the consummation of such Successor Major Transaction, and (ii) within ten (10) days after receipt of such notice, the Holder may elect to receive the Successor Major Transaction Consideration by delivering written notice thereof (a “**Major Transaction Early Termination Notice**”) to the Company, which Major Transaction Early Termination Notice shall indicate the portion of this Warrant (with reference to the number of shares of Common Stock issuable upon a Cash Exercise of such portion, if less than the full Warrant) that Holder is electing to receive the Successor Major Transaction Consideration with respect to. Following the receipt of a Major Transaction Early Termination Notice in respect of a Successor Major Transaction from Holder, the Company shall not effect a Successor Major Transaction with respect to which the Holder has elected the Successor Major Transaction Consideration unless it shall first obtain the written agreement of the Successor Entity, naming the Holder as an express third party beneficiary, that payment of the Successor Major Transaction Consideration concurrently with the consummation of such Successor Major Transaction shall be a condition precedent to such Successor Major Transaction.

- (c) Cash Takeout Transactions. In the event of a Takeout Major Transaction in which the consideration payable to the each holder of Common Stock of the Company consists of more than 50% cash (a “**Cash Takeout Transaction**”), the Company may, at its option, and within at least thirty (30) days prior to the consummation of the Cash Takeout Transaction, provide the Holder with written notice that it elects to terminate this Warrant upon the consummation of the Cash Takeout Transaction in exchange for payment to the Holder of the Successor Major Transaction Consideration (the “**Company Termination Notice**”), subject in each case to the Holder’s right to exercise this Warrant prior to such termination. The Company shall not effect a Cash Takeout Transaction with respect to which the Company has delivered a Company Termination Notice unless it shall first obtain the written agreement of the Successor Entity, naming the Holder as an express third party beneficiary, that payment of the Successor Major Transaction Consideration concurrently with the consummation of such Cash Takeout Transaction shall be a condition precedent to such Cash Takeout Transaction.

5. NONCIRCUMVENTION. The Company hereby covenants and agrees that the Company will not, by amendment of its certificate of incorporation or bylaws, or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issuance or sale of securities, or any other action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, and will at all times in good faith carry out all of the provisions of this Warrant and take all action as may be required to protect the rights of the Holder. Without limiting the generality of the foregoing, the

Company (a) shall not increase the par value of any shares of Common Stock receivable upon the exercise of this Warrant above the Exercise Price then in effect, (b) shall take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and non-assessable shares of Common Stock upon the exercise of this Warrant, and (c) shall, so long as this Warrant is outstanding, take all action necessary to reserve and keep available out of its authorized and unissued shares of Common Stock, solely for the purpose of effecting the exercise of this Warrant, the number of shares of Common Stock as shall from time to time be necessary to effect the exercise of this Warrant (without regard to the 4.9% Cap or any other restriction or limitation on exercise).

6. WARRANT HOLDER NOT DEEMED A SHAREHOLDER. Except as otherwise specifically provided herein, including pursuant to Section 3 and Section 4, the Holder, solely in such Person's capacity as a holder of this Warrant, shall not be entitled to vote or be deemed the holder of capital stock of the Company for any purpose, nor shall anything contained in this Warrant be construed to confer upon the Holder, solely in such Person's capacity as the Holder of this Warrant, any of the rights of a shareholder of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of stock, reclassification of stock, consolidation, merger, conveyance or otherwise), receive notice of meetings, receive dividends or subscription rights, or otherwise, prior to the issuance to the Holder of the Warrant Shares which such Person is then entitled to receive upon the due exercise of this Warrant. In addition, nothing contained in this Warrant shall be construed as imposing any liabilities on the Holder to purchase any securities (upon exercise of this Warrant or otherwise) or as a shareholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company. Notwithstanding this Section 6, the Company shall provide the Holder with copies of the same notices and other information given to the shareholders of the Company generally, contemporaneously with the giving thereof to the shareholders.
7. BOARD OBSERVER RIGHTS. At any time following the date that there are no longer any amounts outstanding under the Credit Agreement (and therefore no board observation rights thereunder), prior to the exercise of the Warrant and at all times thereafter for so long as the Holders continue to own any Warrant Shares or Additional Warrant Shares, the Company shall permit one authorized representative of the Holders (which for purposes of this Section 8 shall be designated by Blue Torch Credit Opportunities Fund II LP, Blue Torch Offshore Credit Opportunities Master Fund II LP, Blue Torch Credit Opportunities KRS Fund LP, Blue Torch Credit Opportunities SBAF Fund LP and BTC Holdings SC Fund LLC) and its permitted affiliated assigns in respect of the Warrant issued to it on the date hereof as long as such parties hold any Warrants, Warrant Shares or Additional Warrant Shares) to attend and participate (in the capacity of a non-voting observer) in all meetings of its Board, whether in person, by telephone, or otherwise. The Company shall provide such representative the same notice of all such meetings and copies of all such meeting materials distributed to members of the Board concurrently with provision of such notice and materials to the Board; provided, however, that such representative (i) shall hold all information and materials disclosed or delivered to such representative in confidence in accordance with but subject to the provisions of Section 16.15 of the Credit Agreement and (ii) may be excluded from access to any material or meeting or portion thereof if (A) the

Board determines in good faith, with advice from legal counsel, that such exclusion is reasonably necessary to preserve the attorney-client privilege or if such representative's access or attendance could materially and adversely affect the Board's fiduciary duties or (B) such material relates to, or such meeting or portion thereof involves discussions regarding, the refinancing or restructuring of, or interpretation of any legal matter regarding, the Loans (as defined in the Credit Agreement) or an executive session of the Board. The Company shall pay such representative's reasonable and documented out-of-pocket expenses (including, without limitation, the cost of airfare, meals and lodging) in connection with such representative's attendance at such meetings to the extent consistent with the Company's policies of reimbursing directors generally for such expenses. If it is proposed that any action be taken by written consent in lieu of a meeting of the Board, the Company shall provide such representative a copy of the written consent at the time such written consent is distributed to members of the Board. The representative shall be free to contact the members of the Board and discuss the proposed written consent. For the avoidance of doubt, the Company acknowledges and agrees that the board observer rights granted pursuant to this Section 8 are in addition to, and not in substitution of, any other board observer rights granted to the Holders, including pursuant to the Credit Agreement.

8. REISSUANCE OF WARRANT.

- (a) Transfer of Warrant. If this Warrant is to be transferred, the Holder shall surrender this Warrant to the Company, whereupon the Company will forthwith issue and deliver upon the order of the Holder a new Warrant (in accordance with Section 8(d)), registered as the Holder may request, representing the right to purchase the number of Warrant Shares being transferred by the Holder and, if less than the total number of Warrant Shares then underlying this Warrant is being transferred, a new Warrant (in accordance with Section 8(d)) to the Holder representing the right to purchase the number of Warrant Shares not being transferred.
- (b) Lost, Stolen or Mutilated Warrant. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant, and, in the case of loss, theft or destruction, of any indemnification undertaking by the Holder to the Company in customary form (but without the obligation to post a bond) and, in the case of mutilation, upon surrender and cancellation of this Warrant, the Company shall execute and deliver to the Holder a new Warrant (in accordance with Section 8(d)) representing the right to purchase the Warrant Shares then underlying this Warrant.
- (c) Exchangeable for Multiple Warrants. This Warrant is exchangeable, upon the surrender hereof by the Holder at the principal office of the Company, for a new Warrant or Warrants (in accordance with Section 8(d)) representing in the aggregate the right to purchase the number of Warrant Shares then underlying this Warrant, and each such new Warrant will represent the right to purchase such portion of such Warrant Shares as is designated by the Holder at the time of such surrender.

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- (d) Issuance of New Warrants. Whenever the Company is required to issue a new Warrant pursuant to the terms of this Warrant, such new Warrant (i) shall be of like tenor with this Warrant, (ii) shall represent, as indicated on the face of such new Warrant, the right to purchase the Warrant Shares then underlying this Warrant (or in the case of a new Warrant being issued pursuant to Section 8(a) or Section 8(c), the Warrant Shares designated by the Holder which, when added to the number of shares of Common Stock underlying the other new Warrants issued in connection with such issuance, does not exceed the number of Warrant Shares then underlying this Warrant), (iii) shall have an issuance date, as indicated on the face of such new Warrant which is the same as the Issuance Date, and (iv) shall have the same rights and conditions as this Warrant.
9. REPRESENTATIONS AND WARRANTIES OF THE COMPANY. The Company hereby represents and warrants to the Holder that:
- (a) The Company is duly organized and validly existing and in good standing as a corporation under the laws of the State of Delaware.
 - (b) The Company has all corporate power and authority to execute this Warrant and the other Transaction Documents, and to perform its obligations hereunder and thereunder. The execution, delivery and performance by the Company of this Warrant and the other Transaction Documents, and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of the Company, and assuming due authorization, execution and delivery of this Warrant and the other Transaction Documents by the Holder, constitutes a legal, valid and binding obligation of the Company, enforceable in accordance with its respective terms, subject, as to enforcement, to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.
 - (c) None of the execution and delivery of this Warrant and the other Transaction Documents, the consummation of the transactions contemplated herein or thereby or the performance of and compliance with the terms and provisions hereof or thereof will: (i) violate or conflict with any provision of the Company's certificate of incorporation or bylaws; (ii) violate any law, regulation, order, writ, judgment, injunction, decree or permit applicable to it; (iii) violate or conflict with any material contractual provisions of, or cause an event of default or give rise to any right of acceleration under any agreement, instrument or contract the breach of which or default thereunder is reasonably likely to result in a material adverse effect to the Company; or (iv) result in or require the creation of any lien, security interest or other charge or encumbrance upon or with respect to its properties.
 - (d) No consent, approval, authorization or order of, or filing, registration or qualification with, any court or governmental authority or other Person (or group of Persons) is required in connection with the execution, delivery or performance of this Warrant and the other Transaction Documents, except for any notices of sale required to be filed with the SEC under Regulation D of the Securities Act or such filings as may be required under state securities laws.

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- (e) The authorized capital stock of the Company consists of 225,000,000 shares of Common Stock, and 20,000,000 shares of preferred stock, \$0.01 par value, of the Company (the “**Preferred Stock**”). At the close of business on May 23, 2024, (i) 95,849,938 shares of Common Stock were issued and outstanding; (ii) no shares of Preferred Stock were issued and outstanding; (iii) 4,414,233 shares of Common Stock were reserved and issuable upon vesting of outstanding and promised restricted stock units pursuant to the Company’s existing Approved Stock Plan; (iv) no shares of Common Stock were issuable upon exercise of vested and unvested outstanding Options; (v) 12,164,413 shares of Common Stock were reserved and issuable upon exercise of outstanding warrants (none of which the Company intends to repurchase); and (vi) 7,474,292 shares were reserved for issuance for future awards under the Company existing Approved Stock Plan. The outstanding shares of Common Stock and Preferred Stock are duly authorized, validly issued, fully paid and non-assessable and there are no other classes of interests of the Company outstanding. There are no preemptive rights or other outstanding rights, options, warrants, conversion rights or agreements or commitments of any character relating to the Company’s authorized and issued equity interests.
- (f) All Warrant Shares which may be issued upon the exercise of this Warrant shall, upon issuance, be duly authorized, validly issued, fully paid and nonassessable, and free of any liens and encumbrances except for restrictions on transfer provided for herein or under applicable federal and state securities laws.
- (g) None of the Company or any of its subsidiaries is or has been: (i) a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code; (ii) a “personal holding company” as defined in Section 542 of the Code (or any similar provision of state, local or foreign law); or (iii) a shareholder of a “passive foreign investment company” within the meaning of Section 1297 of the Code.
10. REPRESENTATIONS AND WARRANTIES OF THE HOLDER With respect to the acquisition of this Warrant and any of the Warrant Shares, the Holder hereby represents and warrants to, and agrees with, the Company as follows:
- (a) The Holder is duly organized and validly existing and in good standing as a [_____] under the laws of the [_____].
- (b) The Holder has all [_____] power and authority to execute this Warrant and the other Transaction Documents, and to perform its obligations hereunder and thereunder. The execution, delivery and performance by the Holder of this Warrant and the other Transaction Documents, and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary [_____] action on the part of the Holder.

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- (c) This Warrant is issued to the Holder in reliance upon the Holder's representation to the Company that this Warrant and the Warrant Shares and any Additional Warrant Shares will be acquired for investment for Holder's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof other than to an affiliate, and that Holder has no present intention of selling, granting any participation in, or otherwise distributing the same other than to an affiliate. By executing this Warrant, Holder further represents that Holder does not have any contract, undertaking, agreement or arrangement with any person, other than an affiliate, to sell, transfer or grant participations to such person or to any third person with respect to any of the Warrant Shares or Additional Warrant Shares.
 - (d) Holder understands that this Warrant and the Warrant Shares are not registered under the Act on the ground that the issuance of such securities is exempt from registration under the Act, and that the Company's reliance on such exemption is predicated on Holder's representations set forth herein.
 - (e) Holder is an "accredited investor" (as defined in the Act).
 - (f) Holder understands that this Warrant and the Warrant Shares and any Additional Warrant Shares are "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 federal securities laws and applicable regulations such securities may be resold without registration under the Act only in certain limited circumstances.
11. NOTICES. Whenever notice is required to be given under this Warrant, unless otherwise provided herein, such notice shall be given in writing, and will be deemed given (A) if delivered by first-class registered or certified mail, three (3) Business Days after so mailed, (B) if delivered by nationally recognized overnight carrier, one (1) Business Day after so mailed, and (C) if delivered by electronic mail, when sent (provided that such sent email is kept on file (whether electronically or otherwise) by the sending party and the sending party does not receive an automatically generated message from the recipient's email server that such e-mail could not be delivered to such recipient), and will be delivered and addressed as follows:
- (i) if to the Company, to:
Quantum Corporation
224 Airport Parkway, Suite 550
San Jose, CA 95110
Attention: General Counsel
Email:

with a copy to:

Latham & Watkins LLP
140 Scott Drive
Menlo Park, California 94025
Attention: Tad J. Freese, Esq.
Email: Tad.Freese@lw.com

(ii) if to the Holder, to:

Blue Torch Finance LLC
c/o Blue Torch Capital LP
150 East 58th Street, 18th Floor
New York, New York 10155
Email:

with a copy to
Schulte Roth & Zabel LLP
919 3rd Avenue
New York, New York 10022
Attention: David Curtiss
Email: David.Curtiss@srz.com

The Company shall provide the Holder with prompt written notice of all actions taken pursuant to this Warrant, including in reasonable detail a description of such action and the reason therefor. Without limiting the generality of the foregoing, the Company will give written notice to the Holder (i) immediately upon any adjustment of the Exercise Price or the issuance of Additional Warrant Shares, setting forth in reasonable detail, and certifying, the calculation of such adjustment and (ii) at least fifteen (15) days prior to the date on which the Company closes its books or takes a record (A) with respect to any dividend or distribution upon the shares of Common Stock, (B) with respect to any grants, issuances or sales of any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property to holders of shares of Common Stock or (C) for determining rights to vote with respect to any Fundamental Transaction, dissolution or liquidation; provided in each case that such information shall be made known to the public prior to or in conjunction with such notice being provided to the Holder. It is expressly understood and agreed that the time of exercise specified by the Holder in each Exercise Notice shall be definitive and may not be disputed or challenged by the Company.

12. AMENDMENT AND WAIVER. Except as otherwise provided herein, the provisions of this Warrant may be amended or waived and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company has obtained the written consent of the Holder.

13. GOVERNING LAW; JURISDICTION; JURY TRIAL.

- (a) This Warrant shall be governed by and construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation and performance of this Warrant shall be governed by, the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of New York. The Company hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in The City of New York, Borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, 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 brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. The Company 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 to the Company at the address set forth in Section 10(i) or such other address as the Company subsequently delivers to the Holder 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. Nothing contained herein shall be deemed or operate to preclude the Holder from bringing suit or taking other legal action against the Company in any other jurisdiction to collect on the Company's obligations to the Holder, to realize on any collateral or any other security for such obligations, or to enforce a judgment or other court ruling in favor of the Holder.
- (b) THE COMPANY HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS WARRANT OR ANY TRANSACTION CONTEMPLATED HEREBY.

14. REMEDIES, OTHER OBLIGATIONS, BREACHES AND INJUNCTIVE RELIEF. The remedies provided in this Warrant shall be cumulative and in addition to all other remedies available under this Warrant and any other Transaction Documents, at law or in equity (including a decree of specific performance and/or other injunctive relief), and nothing herein shall limit the right of the Holder to pursue damages for any failure by the Company to comply with the terms of this Warrant. The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holder and that the remedy at law for any such breach may be inadequate. The Company therefore agrees that, in the event of any such breach or threatened breach, the holder of this Warrant shall be entitled, in addition to all other available remedies, to an injunction restraining any breach, without the necessity of showing economic loss and without any bond or other security being required.

15. TRANSFER; REGISTRATION RIGHTS. This Warrant and the Warrant Shares may be offered for sale, sold, transferred, pledged or assigned without the consent of the Company; provided that this Warrant and the Warrant Shares may not be transferred or assigned in whole or in part without compliance with applicable federal and state securities laws by the transferor and the transferee. The Warrant Shares issuable upon exercise of this Warrant entitle Holder (and applicable assignees or transferees of such Warrant Shares and Additional Warrant Shares) to registration and other rights pursuant to the Registration Rights Agreement.

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16. **SEVERABILITY; CONSTRUCTION; HEADINGS.** If any provision of this Warrant is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Warrant so long as this Warrant as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties hereto or the practical realization of the benefits that would otherwise be conferred upon the parties hereto. The parties hereto will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s). This Warrant shall be deemed to be jointly drafted by the Company and the Holder and shall not be construed against any Person as the drafter hereof. The headings of this Warrant are for convenience of reference and shall not form part of, or affect the interpretation of, this Warrant.
17. **CERTAIN DEFINITIONS.** For purposes of this Warrant, the following terms shall have the following meanings:
- (a) **"Affiliate"** means, with respect to any Person, any other Person that directly or indirectly controls, is controlled by, or is under common control with, such Person, it being understood for purposes of this definition that "control" of a Person means the power directly or indirectly either to vote 10% or more of the stock having ordinary voting power for the election of directors of such Person or direct or cause the direction of the management and policies of such Person whether by contract or otherwise.
 - (b) **"Approved Stock Plan"** means any employee benefit plan or agreement which has been approved by a majority of the non-employee members of the Board, pursuant to which the Company's securities may be issued to any employee, officer, consultant or director for services provided to the Company.
 - (c) **"Asset Sale"** means a transaction covered by the provisions of clause (A)(ii) of the definition of **"Fundamental Transaction"** in connection with which the Company has announced its intention to liquidate and distribute its assets to its stockholders.
 - (d) **"Black-Scholes Value"** means the Black-Scholes Value of this Warrant or applicable portion thereof, as mutually determined by the Company and the Holder pursuant to the Black-Scholes Option Pricing Model criteria set forth on Schedule 1.1 hereto.

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- (e) **“Bloomberg”** means Bloomberg L.P.
 - (f) **“Board”** means the Board of Directors of the Company.
 - (g) **“Business Day”** means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed.
 - (h) **“Code”** means the United States Internal Revenue Code of 1986, as amended.
 - (i) **“Common Stock”** means (i) the Company’s Common Stock, par value \$0.01 per share, and (ii) any capital stock into which such Common Stock shall have been changed or any capital stock resulting from a reclassification of such Common Stock.
 - (j) **“Common Stock Equivalents”** means either preferred stock or subordinated convertible debt, that in each case (x) is convertible into Common Stock and (y) has either a maturity of at least three (3) years (with no redemption at the option of the holder prior to such maturity) or in the case of preferred stock, is perpetual.
 - (k) **“Convertible Securities”** means any debt or equity securities (other than Options) directly or indirectly convertible into or exercisable or exchangeable for shares of Common Stock or Common Stock Equivalents.
 - (l) **“Credit Agreement”** means that certain Term Loan Credit and Security Agreement, dated as of August 5, 2021, among the Company, the guarantors party thereto from time to time, the lenders party thereto from time to time and Blue Torch Finance LLC, as Agent (as amended, restated, supplemented or otherwise modified from time to time).
 - (m) **“Exchange Act”** means the United States Securities Exchange Act of 1934, as amended.
 - (n) **“Excluded Securities”** means any shares of Common Stock issued or issuable, or deemed issued or issuable pursuant to Section 2(a): (i) in connection with any Approved Stock Plan, (ii) upon exercise of this Warrant, (iii) upon conversion, exercise or exchange of any Options or Convertible Securities (as any adjustment will be made at the time of issuance or amendment of such Options or Convertible Securities pursuant to Section 2(a) or 2(b)); and (iv) as consideration in connection with the acquisition of all or a controlling interest in another business (whether by merger, purchase of stock or assets or otherwise) if such issuance is approved by the Board.
 - (o) **“Expiration Date”** means May 24, 2034.
 - (p) **“Expiration Time”** means 5:00 p.m. Eastern time on the Expiration Date.

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- (q) **“Fully-Diluted Basis”** means, when calculating the aggregate number of shares of Common Stock deemed outstanding as of the time of any applicable determination time, a basis that includes an aggregate number of shares of Common Stock equal to the sum of (without duplication) (i) the aggregate number of shares of Common Stock outstanding as of such determination time, (ii) the aggregate number of shares of Common Stock that would be outstanding assuming the conversion, exchange and exercise of all outstanding Convertible Securities, Common Stock Equivalents and Options as of such determination time and (iii) the aggregate number of shares of Common Stock underlying any outstanding Common Stock Equivalents, Convertible Securities and Options as of such determination time.
- (r) **“Fundamental Transaction”** means (A) that the Company shall, directly or indirectly, including through subsidiaries, Affiliates or otherwise, in one or more related transactions, (i) consolidate or merge with or into (whether or not the Company is the surviving corporation) another Subject Entity, or (ii) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Company or any of its “significant subsidiaries” (as defined in Rule 1-02 of Regulation S-X) to one or more Subject Entities, or (iii) make, or allow one or more Subject Entities to make, or allow the Company to be subject to or have its shares of Common Stock be subject to or party to one or more Subject Entities making, a purchase, tender or exchange offer that is accepted by the holders of at least either (x) 50% of the outstanding shares of Common Stock, (y) 50% of the outstanding shares of Common Stock calculated as if any shares of Common Stock held by all Subject Entities making or party to, or Affiliated with any Subject Entities making or party to, such purchase, tender or exchange offer were not outstanding; or (z) such number of shares of Common Stock such that all Subject Entities making or party to, or Affiliated with any Subject Entity making or party to, such purchase, tender or exchange offer, become collectively the beneficial owners (as defined in Rule 13d-3 under the Exchange Act) of at least 50% of the outstanding shares of Common Stock, or (iv) consummate a stock purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with one or more Subject Entities whereby all such Subject Entities, individually or in the aggregate, acquire, either (x) at least 50% of the outstanding shares of Common Stock, (y) at least 50% of the outstanding shares of Common Stock calculated as if any shares of Common Stock held by all the Subject Entities making or party to, or Affiliated with any Subject Entity making or party to, such stock purchase agreement or other business combination were not outstanding; or (z) such number of shares of Common Stock such that the Subject Entities become collectively the beneficial owners (as defined in Rule 13d-3 under the Exchange Act) of at least 50% of the outstanding shares of Common Stock, or (v) reorganize, recapitalize or reclassify its shares of Common Stock, (B) that the Company shall, directly or indirectly, including through subsidiaries, Affiliates or otherwise, in one or more related transactions, allow any Subject Entity individually or the Subject Entities in the aggregate to be or become the “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, whether through acquisition, purchase, assignment, conveyance, tender, tender offer, exchange, reduction in

outstanding shares of Common Stock, merger, consolidation, business combination, reorganization, recapitalization, spin-off, scheme of arrangement, reorganization, recapitalization or reclassification or otherwise in any manner whatsoever, of either (x) at least 50% of the aggregate ordinary voting power represented by issued and outstanding shares of Common Stock, (y) at least 50% of the aggregate ordinary voting power represented by issued and outstanding shares of Common Stock not held by all such Subject Entities as of the Issuance Date calculated as if any shares of Common Stock held by all such Subject Entities were not outstanding, or (z) a percentage of the aggregate ordinary voting power represented by issued and outstanding shares of Common Stock or other equity securities of the Company sufficient to allow such Subject Entities to effect a statutory short form merger or other transaction requiring other shareholders of the Company to surrender their Common Stock without approval of the shareholders of the Company, or (C) directly or indirectly, including through subsidiaries, Affiliates or otherwise, in one or more related transactions, the issuance of or the entering into any other instrument or transaction structured in a manner to circumvent, or that circumvents, the intent of this definition in which case this definition shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this definition to the extent necessary to correct this definition or any portion of this definition which may be defective or inconsistent with the intended treatment of such instrument or transaction.

- (s) **“Group”** means a “group” as that term is used in Section 13(d) of the Exchange Act and as defined in Rule 13d-5 thereunder.
- (t) **“Options”** means any rights, warrants or options to subscribe for or purchase shares of Common Stock or Convertible Securities.
- (u) **“Person”** means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity and a government or any department or agency thereof.
- (v) **“Principal Market”** means the Nasdaq Stock Market or such other securities exchange or securities market on which the Common Stock is then traded.
- (w) **“Pro Rata Repurchase Offer”** means any offer to purchase shares of Common Stock by the Company or any Affiliate thereof pursuant to (i) any tender offer or exchange offer subject to Section 13(e) or 14(e) of the Exchange Act or Regulation 14E promulgated thereunder or (ii) any other offer available to substantially all holders of Common Stock (subject to satisfaction of any conditions to participation therein such as those relating to minimum holding percentages or accredited status) to purchase or exchange their shares of Common Stock, in the case of both clauses (i) and (ii), whether for cash, shares of capital stock of the Company, other securities of the Company, evidences of indebtedness of the Company or any other Person, or any other property (including, without limitation, shares of capital stock, other securities or evidences of indebtedness of a subsidiary of the Company), or any combination thereof, effected while this Warrant is outstanding. The “effective date” of a Pro Rata Repurchase Offer shall mean the date of acceptance of shares for purchase or exchange by the Company under any tender or exchange offer which is a Pro Rata Repurchase Offer or the date of purchase with respect to any Pro Rata Repurchase Offer that is not a tender or exchange offer.

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- (x) **“Registration Rights Agreement”** means that certain Amended & Restated Registration Rights Agreement, dated as of June 16, 2020, by and among the Company, OC II FIE V LP, Blue Torch Credit Opportunities Fund I LP and BTC Holdings SC Fund LLC (as may be amended, restated, supplemented or otherwise modified from time to time including, for the avoidance of doubt, that certain Amendment No. 1 and Joinder to Amended and Restated Registration Rights Agreement dated as of June 1, 2023).
 - (y) **“SEC”** means the United States Securities and Exchange Commission, or any successor governmental authority.
 - (z) **“Securities Act”** means the United States Securities Act of 1933, as amended.
 - (aa) **“Subject Entity”** means any Person, Persons or Group or any Affiliate or associate of any such Person, Persons or Group.
 - (bb) **“Successor Entity”** means one or more Person or Persons formed by, resulting from or surviving any Fundamental Transaction or one or more Person or Persons with which such Fundamental Transaction shall have been entered into.
 - (cc) **“Successor Major Transaction”** means either a Takeout Major Transaction or an Asset Sale.
 - (dd) **“Successor Major Transaction Consideration”** means (i) in the case of a Takeout Major Transaction, the amount of cash, other assets and/or the number of securities or other property of any Person that are issuable in such Takeout Major Transaction in respect of a number of shares of Common Stock equal to the Successor Major Transaction Conversion Share Amount and (ii) in the case of an Asset Sale, an amount of cash equal to the Black-Scholes Value of this Warrant upon consummation of the applicable Asset Sale.
 - (ee) **“Successor Major Transaction Conversion Share Amount”** means an amount equal to the Black-Scholes Value of this Warrant determined as of the date the applicable Successor Major Transaction is consummated divided by the closing price of the Common Stock on the principal securities exchange or other securities market on which the Common Stock is then traded on the trading day immediately preceding the date on which the applicable Successor Major Transaction is consummated.
 - (ff) **“Takeout Major Transaction”** means a Fundamental Transaction in which the shares of Common Stock of the Company are converted into the right to receive cash, securities of another entity and/or other assets.

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- (gg) “**Trading Day**” means any day on which the Common Stock is traded on the Principal Market, or, if the Principal Market is not the principal trading market for the Common Stock, then on the principal securities exchange or securities market on which the Common Stock is then traded.
- (hh) “**Transaction Documents**” means this Warrant, the Registration Rights Agreement and any agreement entered into by and between the Company and the Holder, as applicable (excluding the Credit Agreement and the Other Documents (as defined in the Credit Agreement)).

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Warrant to Purchase Common Stock to be duly executed as of the Issuance Date set out above.

QUANTUM CORPORATION.

By: _____
Name: Lewis Moorehead
Title: Vice President of Finance and Treasurer

Acknowledged and Agreed as of the Issuance Date set out above:
[_____]

By: _____
Name:
Title:

[Signature Page to Warrant (____)]

NOTICE OF EXERCISE

1. The undersigned hereby elects to purchase shares of the Common Stock of Quantum Corporation pursuant to the terms of the attached Warrant. In the event that this Warrant is not fully exercised and has not expired, the Company will issue to the Holder a new warrant representing the Shares not acquired.

2. Payment shall take form of (check applicable box)

in lawful money of the United States, by check or wire transfer in immediately available funds; or

pursuant to a cashless exercise pursuant to Section 1.1(c) of the Warrant.

3. Please issue said shares in the name of the undersigned or in such other name as is specified below:

[Holder]
Attn:
[Address]
[Address]
E-mail:

3. The undersigned represents it is acquiring the shares solely for its own account and not as a nominee for any other party and not with a view toward the resale or distribution thereof except in compliance with applicable securities laws.

HOLDER, or
Assignee

(Signature)

(Name and Title)

(Date)

Black-Scholes Value

| | |
|-----------------------|---|
| Remaining Term | Number of calendar days from date of public announcement of the Successor Major Transaction until the last date on which this Warrant may be exercised. |
| Interest Rate | A risk-free interest rate corresponding to the US LIBOR/Swap rate for a period equal to the Remaining Term.* |
| Cost to Borrow | Zero |
| Volatility | If the first public announcement of the Successor Major Transaction is made at or prior to 4:00 p.m., New York City time, the arithmetic mean of the historical volatility for the 10, 30 and 50 Trading Day periods ending on the date of such first public announcement, obtained from the HVT or similar function on Bloomberg. If the first public announcement of the Successor Major Transaction is made after 4:00 p.m., New York City time, the arithmetic mean of the historical volatility for the 10, 30 and 50 Trading Day periods ending on the next succeeding trading day following the date of such first public announcement, obtained from the HVT or similar function on Bloomberg. |
| Stock Price | The greater of (1) the closing price of the Common Stock on the Principal Market (the " Closing Market Price ") on the Trading Day immediately preceding the date on which a Successor Major Transaction is consummated, (2) the first Closing Market Price following the first public announcement of a Successor Major Transaction, or (3) the Closing Market Price as of the date immediately preceding the first public announcement of the Successor Major Transaction; provided, however, in the event the Common Stock is not then quoted on the Principal Market or reported on any other national securities exchange or inter-dealer quotation system, the stock price shall be the fair market value of the Common Stock calculated in accordance with Section 1.1(d), with the date of determination being the Trading Day immediately preceding the date on which a Successor Major Transaction is consummated. |
| Dividends | Zero. |
| Strike Price | Exercise Price as defined in <u>Section 1(b)</u> . |

* If the LIBOR/Swap rate shall cease to exist in substantially its current form, the Holder shall be permitted to select an alternate interest rate that reasonably approximates the rate of interest per annum at which deposits of United States dollars in immediately available funds are offered by major financial institutions reasonably satisfactory to the Holder in the London interbank market (or a replacement interbank market reasonably determined by the Holder in consultation with the Company).

THIS WARRANT AND THE SHARES ISSUABLE HEREUNDER HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR ANY APPLICABLE STATE SECURITIES LAWS, AND, EXCEPT AND PURSUANT TO THE PROVISIONS OF SECTION 14 BELOW, MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO RULE 144 OR ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

QUANTUM CORPORATION
WARRANT TO PURCHASE COMMON STOCK

Warrant No.: 2024-6
Number of Shares of Common Stock: 750,000
Date of Issuance: May 24, 2024 (“**Issuance Date**”)
Common Stock CUSIP No. 747906 501

Quantum Corporation, a company incorporated under the laws of state of Delaware (the “**Company**”), hereby certifies that, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, OC III LVS XL LP, a Delaware limited partnership, the registered holder hereof or its permitted assigns (the “**Holder**”), is entitled, subject to the terms set forth below, to purchase from the Company, at the Exercise Price (as defined below) then in effect, at any time or times on or after the Issuance Date, but not after the Expiration Time (as defined below), 750,000 fully paid non-assessable shares of Common Stock (as defined below), subject to adjustment as provided herein, including issuance of Additional Warrant Shares (the “**Warrant Shares**”). Except as otherwise defined herein, capitalized terms in this Warrant to Purchase Common Stock (including any Warrants to Purchase Common Stock issued in exchange, transfer or replacement hereof, this “**Warrant**”), shall have the meanings set forth in Section 16. This Warrant has been issued in connection with that certain Eighth Amendment and Waiver to Term Loan Credit And Security Agreement, dated as of the Issuance Date, among the Company, the guarantors party thereto, the lenders party thereto, and Blue Torch Finance LLC, as Agent.

1. EXERCISE OF WARRANT.

- (a) Mechanics of Exercise. Holder may exercise this Warrant in whole or in part and from time to time prior to the Expiration Time by delivering a duly completed and executed Notice of Exercise in substantially the form attached hereto as Exhibit A (each, a “**Notice of Exercise**”) to the principal office of the Company. Unless the Holder is exercising the Cashless Exercise right set forth in Section 1.1(c), the Holder shall also deliver to the Company a check, wire transfer (to an account designated in writing by the Company), or other form of payment acceptable to the Company for the aggregate Exercise Price for the Warrant Shares being purchased.

- (b) Exercise Price. For purposes of this Warrant, “**Exercise Price**” means \$0.46, subject to adjustment as provided herein.
- (c) Cashless Exercise Right. In lieu of exercising this Warrant as specified in Section 1.1(a), the Holder may from time to time, in its sole discretion, exercise this Warrant in whole or in part as to the portion of the Warrant that is exercisable and, in lieu of making the cash payment otherwise contemplated to be made to the Company upon such exercise for the aggregate Exercise Price pursuant to Section 1.1(a), elect instead to receive upon such exercise the “net number” of Warrant Shares determined according to the following formula (a “**Cashless Exercise**”):

$$X = \frac{Y(A-B)}{A}$$

Where:

X = The number of Warrant Shares to be issued to the Holder

Y = The number of Warrant Shares being exercised under this Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being canceled (at the date of such calculation)

A = The fair market value of one share of Common Stock (as determined pursuant to Section 1.1(d))

B = The Exercise Price (as adjusted to the date of such calculation)

- (d) Calculation of FMV. For purposes of the calculation above, the fair market value of one share of Common Stock shall be the average of the daily volume weighted average for the five Trading Days immediately prior to the date of determination thereof or, in the case no such sale takes place on any such Trading Day, the average of the reported closing bid and asked prices regular way of the shares of Common Stock on such Trading Day, in each case as quoted on the Principal Market, as reported by Bloomberg, or such other principal securities exchange or inter-dealer quotation system, in each case, on which the shares of Common Stock are then traded. In the event the Common Stock is not quoted on the Principal Market or reported on any other national securities exchange or inter-dealer quotation system, the fair market value of one share of Common Stock shall be the last trade price of the Common Stock in the over-the-counter market on the electronic bulletin board for such security as reported by Bloomberg, or, if no last trade price is reported for the Common Stock by Bloomberg, the average of the ask prices of any market makers for the Common Stock as reported in the “pink sheets” by OTC Markets Group Inc. If the fair market value of one share of Common Stock cannot be calculated on a particular date on any of the foregoing bases, the fair market value of one share of Common Stock on such date shall be mutually determined by the Company and the Holder; provided, that if the Company and the Holder are unable to agree upon the fair market value of such security, then such dispute shall be resolved in accordance with the procedures in Section 1(e).

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- (e) Disputes. In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Warrant Shares, the Company shall promptly issue to the Holder the number of Warrant Shares that are not disputed and resolve such dispute in accordance with Section 12.
- (f) Required Reserve Amount. So long as this Warrant remains outstanding, the Company shall at all times reserve and keep available for issuance under this Warrant, out of its authorized but unissued Common Stock, such number of shares of Common Stock at least equal to 100% of the maximum number of shares of Common Stock as shall be necessary to satisfy the Company's obligation to issue Warrant Shares under this Warrant (without regard to any restriction or limitation on exercise) (the "**Required Reserve Amount**"); provided that at no time shall the number of shares of Common Stock reserved pursuant to this Section 1(f) be reduced other than in connection with any exercise of this Warrant.
- (g) Insufficient Authorized Shares. If at any time while this Warrant remains outstanding the Company does not have a sufficient number of authorized but unissued shares of Common Stock to satisfy its obligation to reserve for issuance the Required Reserve Amount (an "**Authorized Share Failure**"), then the Company shall immediately take all action necessary to increase the Company's authorized shares of Common Stock to an amount sufficient to allow the Company to reserve and keep available the Required Reserve Amount for this Warrant. 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 seventy-five (75) days after the occurrence of such Authorized Share Failure, the Company shall hold a meeting of its shareholders 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 shareholder of the Company with a proxy statement and shall use its best efforts to solicit its shareholders' approval of such increase in authorized shares of Common Stock and the Board shall recommend to the shareholders that they approve such proposal. Notwithstanding the foregoing, if any such time of an Authorized Share Failure, the Company is able to obtain the written consent of a majority of the shares of its issued and outstanding shares of Common Stock to approve the increase in the number of authorized shares of Common Stock, the Company may satisfy this obligation by obtaining such written consent and submitting for filing with the SEC an Information Statement on Schedule 14C.
- (h) Exercise Restriction Notwithstanding anything herein to the contrary, the Company shall not effect the exercise of any portion of this Warrant, and the Holder shall not have the right to exercise any portion of this Warrant, and any such exercise shall be null and void *ab initio* and treated as if never made, to the extent that (1) after giving effect to such exercise, the number of Warrant Shares then beneficially owned by the Holder and its Affiliates and any other Persons or entities whose

beneficial ownership of Common Stock would be aggregated with the Holder's for purposes of Section 13(d) of the Exchange Act (including any shares held by any "group" of which the Holder is a member, but excluding shares beneficially owned by virtue of the ownership of securities or rights to acquire securities that have limitations on the right to exchange, convert, exercise or purchase similar to the limitation set forth herein) would exceed 19.99% of the total number of Common Stock issued and outstanding or (2) such issuance, when aggregated with any other Common Stock theretofore or simultaneously therewith issued to or otherwise beneficially owned by the Holder and its Affiliates and any other Persons or entities whose beneficial ownership of Common Stock would be aggregated with the Holder's for purposes of Section 13(d) of the Exchange Act (including any shares of Common Stock held by any "group" of which the Holder is a member, but excluding shares of Common Stock beneficially owned by virtue of the ownership of securities or rights to acquire securities that have limitations on the right to exchange, convert, exercise or purchase similar to the limitation set forth herein) would otherwise result in a "change of control" of the Company within the meaning of Nasdaq Listing Rule 5635(b); except that such limitation shall not apply in the event that the Company obtains all necessary shareholder approvals for such exchange in accordance with the Nasdaq Listing Rules. For purposes hereof, "group" has the meaning set forth in Section 13(d) of the Exchange Act and applicable regulations of the SEC, and the percentage held by the Holder shall be determined in a manner consistent with the provisions of Section 13(d) of the Exchange Act.

- (i) Automatic Exercise. To the extent that there has not been an exercise of this Warrant pursuant to this Section 1, any portion of the Warrant that remains unexercised shall be exercised automatically, with no further action required on the part of the Holder, in whole (not in part), immediately prior to the Expiration Time through a Cashless Exercise in the manner set forth in Section 1(c).
2. ADJUSTMENT OF EXERCISE PRICE AND NUMBER OF WARRANT SHARES. The Exercise Price and the number of Warrant Shares shall be adjusted from time to time as follows:
 - (a) Adjustment upon Issuance of Shares of Common Stock, Options and Convertible Securities If on or after the Issuance Date, the Company issues or sells any shares of Common Stock, Common Stock Equivalents, Options or Convertible Securities (including, in each case, the issuance or sale of shares of Common Stock owned or held by or for the account of the Company, but excluding shares of Common Stock issued by the Company in connection with any Excluded Securities) for a consideration per share (including upon exercise, exchange or conversion) of less than the Exercise Price as of the date hereof (the "**Applicable Price**", and any such issuance a "**Dilutive Issuance**"), then, immediately after such Dilutive Issuance, the Exercise Price immediately after such Dilutive Issuance shall be equal to the quotient of (A) the sum of (x) the product of (I) the Exercise Price in effect immediately prior to such Dilutive Issuance, multiplied by (II) the aggregate number of shares of Common Stock outstanding immediately prior to such Dilutive

Issuance, calculated on a Fully-Diluted Basis, plus (y) the consideration, if any, received by the Company upon such issuance or sale (or, with respect to any Convertible Securities, Common Stock Equivalents, Options, the exercise price or conversion price, as applicable, of such securities as of the date of such issuance or sale), divided by (B) the aggregate number of shares of Common Stock outstanding immediately after such Dilutive Issuance, calculated on a Fully-Diluted Basis. Upon each such adjustment of the Exercise Price hereunder, the number of shares of Common Stock purchasable upon the exercise of this Warrant shall be equal to the quotient of (A) the Exercise Price in effect immediately prior to such Dilutive Issuance multiplied by the number of shares of Common Stock that the Holder would have been entitled to purchase upon exercise of this Warrant (without regard to any restriction or limitation on exercise) immediately prior to such adjustment, divided by (B) the Exercise Price resulting from such adjustment (such additional number of shares of Common Stock in excess of the Warrant Shares after giving effect to this sentence, the “**Additional Warrant Shares**”). The Company will not take any action that would result in an adjustment under this Section 2 and would require prior approval by its shareholders under any then applicable listing rules of The Nasdaq Stock Market LLC (a “**Nasdaq Stockholder Required Approval Event**”) without first obtaining such approval. Upon the occurrence of a Nasdaq Stockholder Required Approval Event, the Company shall immediately use its best efforts to allow it to make any adjustment required under this Section 2. Without limiting the generality of the foregoing, upon the occurrence of a Nasdaq Stockholder Required Approval Event, the Company shall, as soon as practicable after the date of the occurrence thereof, but in no event later than seventy-five (75) days after the occurrence thereof, hold a meeting of its shareholders for the approval of the issuance of Warrant Shares in excess of any then current Nasdaq restrictions on any such issuance (“**Excess Warrant Shares**”). In connection with such shareholder meeting, the Company shall provide each shareholder with a proxy statement and shall use its best efforts to solicit its shareholders’ approval of such issuance and the Board shall recommend to the shareholders that they approve such proposal. Notwithstanding the foregoing, if at any such time of a Nasdaq Stockholder Required Approval Event, the Company is able to obtain the written consent of a majority of its issued and outstanding shares of Common Stock to approve the issuance of Excess Warrant Shares, the Company may satisfy its obligations pursuant to the immediately preceding sentence by obtaining such written consent and submitting for filing with the SEC an Information Statement on Schedule 14C. In the event that (i) the Company has not obtained stockholder approval for the issuance of Excess Warrant Shares or there is an Authorized Share Failure and (ii) the Holder has exercised this Warrant and is entitled to receive Warrant Shares that would constitute Excess Warrant Shares or be in excess of the Company’s then-authorized shares of Common Stock, then, in lieu of the Company issuing such Excess Warrant Shares or other shares of Common Stock in excess of the Company’s authorized shares of Common Stock (“**Unauthorized Excess Warrant Shares**”), the Company shall pay the Holder an amount in cash equal to (Y) the fair market value of one share of Common Stock (calculated in accordance with Section 1.1(d), with the date of determination being the date of exercise) multiplied by (Z) each Excess Warrant Share or Unauthorized Excess Warrant Shares.

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- (b) Change in Option Price or Rate of Conversion. On or after the Issuance Date, if the purchase price provided for in any Options, the additional consideration, if any, payable upon the issue, conversion, exercise or exchange of any Convertible Securities or Common Stock Equivalents, or the rate at which any Convertible Securities or Common Stock Equivalents are convertible into or exercisable or exchangeable for shares of Common Stock increases or decreases at any time, then the Exercise Price in effect at the time of such increase or decrease shall be adjusted to the Exercise Price which would have been in effect at such time had such Options, Common Stock Equivalents or Convertible Securities provided for such increased or decreased purchase price, additional consideration or increased or decreased conversion rate, as the case may be, at the time initially granted, issued or sold; provided that for the avoidance of doubt, no Additional Warrant Shares will be issued in connection with any such increase or decrease pursuant to the currently existing terms of any currently outstanding Company warrants. Except as contemplated by Section 2(h), no adjustment pursuant to this Section 2 shall be made if such adjustment would result in an increase of the Exercise Price then in effect or a decrease in the number of Additional Warrant Shares or Warrant Shares issuable under this Warrant. Additionally, for the avoidance of doubt, neither a Reclassification (as defined below) nor a stock dividend to all holders of Common Stock shall be treated as issuances with zero consideration under this Section, and no adjustment pursuant to Section 2(a) will result in a further adjustment to this Warrant under this Section so long as any Consideration Adjustment of any Options constitutes “consideration” for the purposes of the adjustment provided in Section 2(a).
- (c) Record Date. If the Company takes a record of the holders of shares of Common Stock for the purpose of entitling them (i) to receive a dividend or other distribution payable in shares of Common Stock, Common Stock Equivalents, Options or in Convertible Securities or (ii) to subscribe for or purchase shares of Common Stock, Common Stock Equivalents, Options or Convertible Securities, then such record date will be deemed to be the date of the issue or sale of the shares of Common Stock deemed to have been issued or sold upon the declaration of such dividend or the making of such other distribution or the date of the granting of such right of subscription or purchase, as the case may be.
- (d) Voluntary Adjustment By Company. Subject to the prior consent of the Principal Market, the Company may at any time during the term of this Warrant reduce the then current Exercise Price to any amount and for any period of time deemed appropriate by the Board.

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- (e) Adjustment Upon Subdivision or Combination of Common Stock. If the Company at any time on or after the Issuance Date subdivides (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced and the number of Warrant Shares and Additional Warrant Shares will be proportionately increased. If the Company at any time on or after the Issuance Date combines (by combination, reverse stock split or otherwise) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the Exercise Price in effect immediately prior to such combination will be proportionately increased and the number of Warrant Shares and Additional Warrant Shares will be proportionately decreased. Any adjustment under this Section 2(e) shall become effective at the close of business on the date the subdivision or combination becomes effective.
- (f) Adjustment Upon Reclassification. If the securities issuable upon exercise of this Warrant are changed into the same or a different number of securities of any other class or classes by reclassification, capital reorganization or otherwise (other than as otherwise provided for herein) (a “**Reclassification**”), then, in any such event, in lieu of the number of Warrant Shares and Additional Warrant Shares which the Holder would otherwise have been entitled to receive, the Holder shall have the right thereafter to exercise this Warrant for a number of shares of such other class or classes of securities that a holder of the number of securities deliverable upon exercise of this Warrant immediately before that change would have been entitled to receive in such Reclassification, all subject to further adjustment as provided herein with respect to such other securities.
- (g) Other Events. If, on or after the Issuance Date, any event occurs of the type contemplated by the provisions of this Section 2 but not expressly provided for by such provisions (including, without limitation, the granting of stock appreciation rights, phantom stock rights or other rights with equity features), then the Board will, in good faith, make an appropriate adjustment in the Exercise Price, and the number of Warrant Shares or Additional Warrant Shares, as applicable, as mutually determined by the Board and the Holders, each acting in good faith, so as to protect the rights of the Holders; provided that no such adjustment pursuant to this Section 2(g) will increase the Exercise Price, or decrease the number of Warrant Shares or Additional Warrant Shares, as applicable, as otherwise determined pursuant to this Section 2.
- (h) Treatment of Expired or Terminated Common Stock Equivalents, Options or Convertible Securities Upon the expiration or termination of any unexercised, unconverted or unexchanged Option, Common Stock Equivalent or Convertible Security (or portion thereof) for which an adjustment was made pursuant to Section 2(a) or Section 2(b) (including upon the redemption or purchase for consideration of all or any portion of such Option, Common Stock Equivalent or Convertible Security by the Company), (i) the Exercise Price then in effect hereunder shall be changed to the Exercise Price which would have been in effect at the time of such expiration or termination had such unexercised, unconverted or unexchanged Option, Common Stock Equivalent or Convertible Security (or portion thereof) never been issued, and (ii) the number of Additional Warrant Shares or Warrant Shares then issuable under this Warrant shall be changed to the number of Additional Warrant Shares or Warrant Shares which would have been issuable at the time of such expiration or termination had such unexercised, unconverted or unexchanged Option, Common Stock Equivalent or Convertible Security (or portion thereof) never been issued.

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3. RIGHTS UPON DISTRIBUTION OF ASSETS. In addition to any adjustments pursuant to Section 2 above, if, on or after the Issuance Date and on or prior to the Expiration Date, 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, by way of return of capital or otherwise (including, without limitation, any distribution of cash, stock or other securities, property, options, evidence of indebtedness or any other assets by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction) (a “**Distribution**”), then, in each such case, the Holder shall be entitled to participate in such Distribution to the same extent that the Holder would have participated therein if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to any restriction or limitation on exercise) immediately before the date of which a record is taken for such Distribution, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for their participation in such Distribution.
4. PURCHASE RIGHTS; FUNDAMENTAL TRANSACTION.
- (a) Purchase Rights. In addition to any adjustments pursuant to Section 2, if at any time on or after the Issuance Date and on or prior to the Expiration Date the Company (i) grants, issues or sells any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property *pro rata* to the record holders of any class of Common Stock (the “**Purchase Rights**”), then the Holder will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which the Holder could have acquired if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to any restriction or limitation on exercise) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of Common Stock are to be determined for the grant, issuance or sale of such Purchase Rights, or (ii) conducts any Pro Rata Repurchase Offer, the Holder shall be permitted to (but shall not be obligated to) participate, in whole or in part, on an as-converted basis in such Pro Rata Repurchase Offer, provided that, notwithstanding any other provision hereof, such participation may at the election of the Holder be conditioned upon the consummation of such transaction, in which case such participation shall not be deemed to be effective until immediately prior to the consummation of such transaction.
- (b) Fundamental Transactions. The Company shall not enter into or be party to a Fundamental Transaction unless the Successor Entity assumes in writing, pursuant to written agreements in form and substance satisfactory to the Holder, all of the obligations of the Company under this Warrant and all other Transaction Documents in accordance with the provisions of this Section 4(b), including

agreements to deliver to the Holder in exchange for this Warrant a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Warrant, but which is exercisable for a corresponding number of shares of capital stock equivalent to the shares of Common Stock issuable upon exercise of this Warrant (without regard to any restriction or limitation on exercise) prior to such Fundamental Transaction, and with an exercise price which applies the exercise price hereunder to such shares of capital stock (taking into account the relative value of the shares of Common Stock pursuant to such Fundamental Transaction and the value of such shares of capital stock, such adjustments to the number of shares of capital stock and such exercise price being for the purpose of appropriately reflecting the economic value of this Warrant immediately prior to the consummation of such Fundamental Transaction, in each case, as mutually determined by the Company and the Holder, each acting reasonably and in good faith; provided, however, in the event of any dispute between the Company or the Successor Entity, on the one hand, and the Holder, on the other hand, regarding such valuation, exercise price, and share adjustment determinations, such dispute shall be resolved in accordance with Section 12). Upon the consummation of each Fundamental Transaction, the Successor Entity shall succeed to, and be substituted for the Company (so that from and after the date of such Fundamental Transaction, each and every provision of this Warrant referring to the “**Company**” shall instead refer to the Successor Entity), and the Successor Entity may exercise every prior right and power of the Company and shall assume all prior obligations of the Company under this Warrant with the same effect as if the Successor Entity had been named as the Company in this Warrant. On or prior to the consummation of each Fundamental Transaction, the Successor Entity shall deliver to the Holder confirmation that there shall be issued upon exercise of this Warrant at any time after the consummation of the Fundamental Transaction, in lieu of the shares of Common Stock (or other securities, cash, assets or other property purchasable upon the exercise of this Warrant prior to such Fundamental Transaction), such shares of stock, securities, cash, assets or any other property whatsoever (including warrants or other purchase or subscription rights), which for purposes of clarification may continue to be shares of Common Stock, if any, that the Holder would have been entitled to receive upon the happening of such Fundamental Transaction or the record, eligibility or other determination date for the event resulting in such Fundamental Transaction, had this Warrant been exercised immediately prior to such Fundamental Transaction or the record, eligibility or other determination date for the event resulting in such Fundamental Transaction (without regard to any restriction or limitation on exercise), as adjusted in accordance with the provisions of this Warrant. Notwithstanding the foregoing, and without limiting the provisions of Section 1(f) hereof, the Holder may elect, at its sole discretion, by delivery of a written notice to the Company, to permit a Fundamental Transaction without the required assumption of this Warrant. In addition to and not in substitution for any other rights hereunder, prior to the consummation of any Fundamental Transaction pursuant to which holders of Common Stock are entitled to receive securities, cash, assets or other property with respect to or in exchange for Common Stock (a “**Corporate Event**”), the Company shall make appropriate provision to ensure that,

and any applicable Successor Entity shall ensure that, the Holder will thereafter have the right to receive upon exercise of this Warrant at any time after the consummation of the Corporate Event, shares of Common Stock or capital stock of the Successor Entity or, if so elected by the Holder, in lieu of the shares of Common Stock (or other securities, cash, assets or other property) (except such items still issuable under Sections 3 and 4(a), which shall continue to be receivable thereafter) issuable upon exercise of this Warrant prior to such Corporate Event, such shares of stock, securities, cash, assets or any other property whatsoever (including warrants or other purchase or subscription rights) which the Holder would have been entitled to receive upon the consummation of such Corporate Event or the record, eligibility or other determination date for the event resulting in such Corporate Event, had this Warrant been exercised immediately prior to such Corporate Event or the record, eligibility or other determination date for the event resulting in such Corporate Event (without regard to any restriction or limitation on exercise). Provision made pursuant to the preceding sentence shall be in a form and substance reasonably satisfactory to the Holder. The provisions of this Section 4(b) shall apply similarly and equally to successive Fundamental Transactions and Corporate Events. Notwithstanding anything to the contrary stated herein, to the extent a Fundamental Transaction constitutes a Successor Major Transaction, (i) the Company shall provide written notice thereof to the Holder at least thirty (30) days prior to the consummation of such Successor Major Transaction, and (ii) within ten (10) days after receipt of such notice, the Holder may elect to receive the Successor Major Transaction Consideration by delivering written notice thereof (a "**Major Transaction Early Termination Notice**") to the Company, which Major Transaction Early Termination Notice shall indicate the portion of this Warrant (with reference to the number of shares of Common Stock issuable upon a Cash Exercise of such portion, if less than the full Warrant) that Holder is electing to receive the Successor Major Transaction Consideration with respect to. Following the receipt of a Major Transaction Early Termination Notice in respect of a Successor Major Transaction from Holder, the Company shall not effect a Successor Major Transaction with respect to which the Holder has elected the Successor Major Transaction Consideration unless it shall first obtain the written agreement of the Successor Entity, naming the Holder as an express third party beneficiary, that payment of the Successor Major Transaction Consideration concurrently with the consummation of such Successor Major Transaction shall be a condition precedent to such Successor Major Transaction.

- (c) Cash Takeout Transactions. In the event of a Takeout Major Transaction in which the consideration payable to the each holder of Common Stock of the Company consists of more than 50% cash (a "**Cash Takeout Transaction**"), the Company may, at its option, and within at least thirty (30) days prior to the consummation of the Cash Takeout Transaction, provide the Holder with written notice that it elects to terminate this Warrant upon the consummation of the Cash Takeout Transaction in exchange for payment to the Holder of the Successor Major Transaction Consideration (the "**Company Termination Notice**"), subject in each case to the Holder's right to exercise this Warrant prior to such termination. The Company shall not effect a Cash Takeout Transaction with respect to which the Company has delivered a Company Termination Notice unless it shall first obtain the written agreement of the Successor Entity, naming the Holder as an express third party beneficiary, that payment of the Successor Major Transaction Consideration concurrently with the consummation of such Cash Takeout Transaction shall be a condition precedent to such Cash Takeout Transaction.

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5. NONCIRCUMVENTION. The Company hereby covenants and agrees that the Company will not, by amendment of its certificate of incorporation or bylaws, or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issuance or sale of securities, or any other action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, and will at all times in good faith carry out all of the provisions of this Warrant and take all action as may be required to protect the rights of the Holder. Without limiting the generality of the foregoing, the Company (a) shall not increase the par value of any shares of Common Stock receivable upon the exercise of this Warrant above the Exercise Price then in effect, (b) shall take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and non-assessable shares of Common Stock upon the exercise of this Warrant, and (c) shall, so long as this Warrant is outstanding, take all action necessary to reserve and keep available out of its authorized and unissued shares of Common Stock, solely for the purpose of effecting the exercise of this Warrant, the number of shares of Common Stock as shall from time to time be necessary to effect the exercise of this Warrant (without regard to any restriction or limitation on exercise).
 6. WARRANT HOLDER NOT DEEMED A SHAREHOLDER. Except as otherwise specifically provided herein, including pursuant to Section 3 and Section 4, the Holder, solely in such Person's capacity as a holder of this Warrant, shall not be entitled to vote or be deemed the holder of capital stock of the Company for any purpose, nor shall anything contained in this Warrant be construed to confer upon the Holder, solely in such Person's capacity as the Holder of this Warrant, any of the rights of a shareholder of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of stock, reclassification of stock, consolidation, merger, conveyance or otherwise), receive notice of meetings, receive dividends or subscription rights, or otherwise, prior to the issuance to the Holder of the Warrant Shares which such Person is then entitled to receive upon the due exercise of this Warrant. In addition, nothing contained in this Warrant shall be construed as imposing any liabilities on the Holder to purchase any securities (upon exercise of this Warrant or otherwise) or as a shareholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company. Notwithstanding this Section 6, the Company shall provide the Holder with copies of the same notices and other information given to the shareholders of the Company generally, contemporaneously with the giving thereof to the shareholders.

7. REISSUANCE OF WARRANT.

- (a) Transfer of Warrant. If this Warrant is to be transferred, the Holder shall surrender this Warrant to the Company, whereupon the Company will forthwith issue and deliver upon the order of the Holder a new Warrant (in accordance with Section 7(d)), registered as the Holder may request, representing the right to purchase the number of Warrant Shares being transferred by the Holder and, if less than the total number of Warrant Shares then underlying this Warrant is being transferred, a new Warrant (in accordance with Section 7(d)) to the Holder representing the right to purchase the number of Warrant Shares not being transferred.
- (b) Lost, Stolen or Mutilated Warrant. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant, and, in the case of loss, theft or destruction, of any indemnification undertaking by the Holder to the Company in customary form (but without the obligation to post a bond) and, in the case of mutilation, upon surrender and cancellation of this Warrant, the Company shall execute and deliver to the Holder a new Warrant (in accordance with Section 7(d)) representing the right to purchase the Warrant Shares then underlying this Warrant.
- (c) Exchangeable for Multiple Warrants. This Warrant is exchangeable, upon the surrender hereof by the Holder at the principal office of the Company, for a new Warrant or Warrants (in accordance with Section 7(d)) representing in the aggregate the right to purchase the number of Warrant Shares then underlying this Warrant, and each such new Warrant will represent the right to purchase such portion of such Warrant Shares as is designated by the Holder at the time of such surrender.
- (d) Issuance of New Warrants. Whenever the Company is required to issue a new Warrant pursuant to the terms of this Warrant, such new Warrant (i) shall be of like tenor with this Warrant, (ii) shall represent, as indicated on the face of such new Warrant, the right to purchase the Warrant Shares then underlying this Warrant (or in the case of a new Warrant being issued pursuant to Section 7(a) or Section 7(c), the Warrant Shares designated by the Holder which, when added to the number of shares of Common Stock underlying the other new Warrants issued in connection with such issuance, does not exceed the number of Warrant Shares then underlying this Warrant), (iii) shall have an issuance date, as indicated on the face of such new Warrant which is the same as the Issuance Date, and (iv) shall have the same rights and conditions as this Warrant.

8. REPRESENTATIONS AND WARRANTIES OF THE COMPANY. The Company hereby represents and warrants to the Holder that:

- (a) The Company is duly organized and validly existing and in good standing as a corporation under the laws of the State of Delaware.
- (b) The Company has all corporate power and authority to execute this Warrant and the other Transaction Documents, and to perform its obligations hereunder and thereunder. The execution, delivery and performance by the Company of this Warrant and the other Transaction Documents, and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of the Company, and assuming due

authorization, execution and delivery of this Warrant and the other Transaction Documents by the Holder, constitutes a legal, valid and binding obligation of the Company, enforceable in accordance with its respective terms, subject, as to enforcement, to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

- (c) None of the execution and delivery of this Warrant and the other Transaction Documents, the consummation of the transactions contemplated herein or thereby or the performance of and compliance with the terms and provisions hereof or thereof will: (i) violate or conflict with any provision of the Company's certificate of incorporation or bylaws; (ii) violate any law, regulation, order, writ, judgment, injunction, decree or permit applicable to it; (iii) violate or conflict with any material contractual provisions of, or cause an event of default or give rise to any right of acceleration under any agreement, instrument or contract the breach of which or default thereunder is reasonably likely to result in a material adverse effect to the Company; or (iv) result in or require the creation of any lien, security interest or other charge or encumbrance upon or with respect to its properties.
- (d) No consent, approval, authorization or order of, or filing, registration or qualification with, any court or governmental authority or other Person (or group of Persons) is required in connection with the execution, delivery or performance of this Warrant and the other Transaction Documents, except for any notices of sale required to be filed with the SEC under Regulation D of the Securities Act or such filings as may be required under state securities laws.
- (e) The authorized capital stock of the Company consists of 225,000,000 shares of Common Stock, and 20,000,000 shares of preferred stock, \$0.01 par value, of the Company (the "**Preferred Stock**"). At the close of business on May 23, 2024, (i) 95,849,938 shares of Common Stock were issued and outstanding; (ii) no shares of Preferred Stock were issued and outstanding; (iii) 4,414,233 shares of Common Stock were reserved and issuable upon vesting of outstanding and promised restricted stock units pursuant to the Company's existing Approved Stock Plan; (iv) no shares of Common Stock were issuable upon exercise of vested and unvested outstanding Options; (v) 12,164,413 shares of Common Stock were reserved and issuable upon exercise of outstanding warrants (none of which the Company intends to repurchase); and (vi) 7,474,292 shares were reserved for issuance for future awards under the Company existing Approved Stock Plan. The outstanding shares of Common Stock and Preferred Stock are duly authorized, validly issued, fully paid and non-assessable and there no other classes of interests of the Company outstanding. There are no preemptive rights or other outstanding rights, options, warrants, conversion rights or agreements or commitments of any character relating to the Company's authorized and issued equity interests.
- (f) All Warrant Shares which may be issued upon the exercise of this Warrant shall, upon issuance, be duly authorized, validly issued, fully paid and nonassessable, and free of any liens and encumbrances except for restrictions on transfer provided for herein or under applicable federal and state securities laws.

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- (g) None of the Company or any of its subsidiaries is or has been: (i) a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code; (ii) a “personal holding company” as defined in Section 542 of the Code (or any similar provision of state, local or foreign law); or (iii) a shareholder of a “passive foreign investment company” within the meaning of Section 1297 of the Code.
9. REPRESENTATIONS AND WARRANTIES OF THE HOLDER. With respect to the acquisition of this Warrant and any of the Warrant Shares, the Holder hereby represents and warrants to, and agrees with, the Company as follows:
- (a) The Holder is duly organized and validly existing and in good standing as a limited partnership under the laws of the State of Delaware.
 - (b) The Holder has all limited partnership power and authority to execute this Warrant and the other Transaction Documents, and to perform its obligations hereunder and thereunder. The execution, delivery and performance by the Holder of this Warrant and the other Transaction Documents, and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary limited partnership action on the part of the Holder.
 - (c) This Warrant is issued to the Holder in reliance upon the Holder’s representation to the Company that this Warrant and the Warrant Shares and any Additional Warrant Shares will be acquired for investment for Holder’s own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof other than to an affiliate, and that Holder has no present intention of selling, granting any participation in, or otherwise distributing the same other than to an affiliate. By executing this Warrant, Holder further represents that Holder does not have any contract, undertaking, agreement or arrangement with any person, other than an affiliate, to sell, transfer or grant participations to such person or to any third person with respect to any of the Warrant Shares or Additional Warrant Shares.
 - (d) Holder understands that this Warrant and the Warrant Shares are not registered under the Act on the ground that the issuance of such securities is exempt from registration under the Act, and that the Company’s reliance on such exemption is predicated on Holder’s representations set forth herein.
 - (e) Holder is an “accredited investor” (as defined in the Act).
 - (f) Holder understands that this Warrant and the Warrant Shares and any Additional Warrant Shares are “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 federal securities laws and applicable regulations such securities may be resold without registration under the Act only in certain limited circumstances.

10. NOTICES. Whenever notice is required to be given under this Warrant, unless otherwise provided herein, such notice shall be given in writing, and will be deemed given (A) if delivered by first-class registered or certified mail, three (3) Business Days after so mailed, (B) if delivered by nationally recognized overnight carrier, one (1) Business Day after so mailed, and (C) if delivered by electronic mail, when sent (provided that such sent email is kept on file (whether electronically or otherwise) by the sending party and the sending party does not receive an automatically generated message from the recipient's email server that such e-mail could not be delivered to such recipient), and will be delivered and addressed as follows:

(i) if to the Company, to:

Quantum Corporation
224 Airport Parkway, Suite 550
San Jose, CA 95110
Attention: General Counsel
Email:

with a copy to:

Latham & Watkins LLP
140 Scott Drive
Menlo Park, California 94025
Attention: Tad J. Freese, Esq.
Email: Tad.Freese@lw.com

(ii) if to the Holder, to:

OC III LVS XL LP
c/o Sheppard, Mullin, Richter & Hampton LLP
333 South Hope Street, 43rd Floor
Los Angeles, California 90071
Attention: Stacey L. Rosenberg, Esq.
Telephone: (213) 617-4128
Facsimile: (213) 443-2751
Email: srosenberg@sheppardmullin.com

The Company shall provide the Holder with prompt written notice of all actions taken pursuant to this Warrant, including in reasonable detail a description of such action and the reason therefor. Without limiting the generality of the foregoing, the Company will give written notice to the Holder (i) immediately upon any adjustment of the Exercise Price or the issuance of Additional Warrant Shares, setting forth in reasonable detail, and certifying, the calculation of such adjustment and (ii) at least fifteen (15) days prior to the date on which the Company closes its books or takes a record (A) with respect to any dividend or distribution upon the shares of Common Stock, (B) with respect to any grants, issuances or sales of any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property to holders of shares of Common Stock or (C) for determining

rights to vote with respect to any Fundamental Transaction, dissolution or liquidation; provided in each case that such information shall be made known to the public prior to or in conjunction with such notice being provided to the Holder. It is expressly understood and agreed that the time of exercise specified by the Holder in each Exercise Notice shall be definitive and may not be disputed or challenged by the Company.

11. AMENDMENT AND WAIVER. Except as otherwise provided herein, the provisions of this Warrant may be amended or waived and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company has obtained the written consent of the Holder.

12. GOVERNING LAW; JURISDICTION; JURY TRIAL.

(a) This Warrant shall be governed by and construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation and performance of this Warrant shall be governed by, the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of New York. The Company hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in The City of New York, Borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, 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 brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. The Company 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 to the Company at the address set forth in Section 10(i) or such other address as the Company subsequently delivers to the Holder 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. Nothing contained herein shall be deemed or operate to preclude the Holder from bringing suit or taking other legal action against the Company in any other jurisdiction to collect on the Company's obligations to the Holder, to realize on any collateral or any other security for such obligations, or to enforce a judgment or other court ruling in favor of the Holder.

(b) **THE COMPANY HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS WARRANT OR ANY TRANSACTION CONTEMPLATED HEREBY.**

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13. **REMEDIES, OTHER OBLIGATIONS, BREACHES AND INJUNCTIVE RELIEF.** The remedies provided in this Warrant shall be cumulative and in addition to all other remedies available under this Warrant and any other Transaction Documents, at law or in equity (including a decree of specific performance and/or other injunctive relief), and nothing herein shall limit the right of the Holder to pursue damages for any failure by the Company to comply with the terms of this Warrant. The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holder and that the remedy at law for any such breach may be inadequate. The Company therefore agrees that, in the event of any such breach or threatened breach, the holder of this Warrant shall be entitled, in addition to all other available remedies, to an injunction restraining any breach, without the necessity of showing economic loss and without any bond or other security being required.
14. **TRANSFER; REGISTRATION RIGHTS.** This Warrant and the Warrant Shares may be offered for sale, sold, transferred, pledged or assigned without the consent of the Company; provided that this Warrant and the Warrant Shares may not be transferred or assigned in whole or in part without compliance with applicable federal and state securities laws by the transferor and the transferee. The Warrant Shares issuable upon exercise of this Warrant entitle Holder (and applicable assignees or transferees of such Warrant Shares and Additional Warrant Shares) to registration and other rights pursuant to the Registration Rights Agreement.
15. **SEVERABILITY; CONSTRUCTION; HEADINGS.** If any provision of this Warrant is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Warrant so long as this Warrant as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties hereto or the practical realization of the benefits that would otherwise be conferred upon the parties hereto. The parties hereto will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s). This Warrant shall be deemed to be jointly drafted by the Company and the Holder and shall not be construed against any Person as the drafter hereof. The headings of this Warrant are for convenience of reference and shall not form part of, or affect the interpretation of, this Warrant.
16. **CERTAIN DEFINITIONS.** For purposes of this Warrant, the following terms shall have the following meanings:
- (a) **“Affiliate”** means, with respect to any Person, any other Person that directly or indirectly controls, is controlled by, or is under common control with, such Person, it being understood for purposes of this definition that “control” of a Person means the power directly or indirectly either to vote 10% or more of the stock having ordinary voting power for the election of directors of such Person or direct or cause the direction of the management and policies of such Person whether by contract or otherwise.

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- (b) “**Approved Stock Plan**” means any employee benefit plan or agreement which has been approved by a majority of the non-employee members of the Board, pursuant to which the Company’s securities may be issued to any employee, officer, consultant or director for services provided to the Company.
- (c) “**Asset Sale**” means a transaction covered by the provisions of clause (A)(ii) of the definition of “**Fundamental Transaction**” in connection with which the Company has announced its intention to liquidate and distribute its assets to its stockholders.
- (d) “**Black-Scholes Value**” means the Black-Scholes Value of this Warrant or applicable portion thereof, as mutually determined by the Company and the Holder pursuant to the Black-Scholes Option Pricing Model criteria set forth on Schedule 1.1 hereto.
- (e) “**Bloomberg**” means Bloomberg L.P.
- (f) “**Board**” means the Board of Directors of the Company.
- (g) “**Business Day**” means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed.
- (h) “**Code**” means the United States Internal Revenue Code of 1986, as amended.
- (i) “**Common Stock**” means (i) the Company’s Common Stock, par value \$0.01 per share, and (ii) any capital stock into which such Common Stock shall have been changed or any capital stock resulting from a reclassification of such Common Stock.
- (j) “**Common Stock Equivalents**” means either preferred stock or subordinated convertible debt, that in each case (x) is convertible into Common Stock and (y) has either a maturity of at least three (3) years (with no redemption at the option of the holder prior to such maturity) or in the case of preferred stock, is perpetual.
- (k) “**Convertible Securities**” means any debt or equity securities (other than Options) directly or indirectly convertible into or exercisable or exchangeable for shares of Common Stock or Common Stock Equivalents.
- (l) “**Credit Agreement**” means that certain Term Loan Credit and Security Agreement, dated as of August 5, 2021, among the Company, the guarantors party thereto from time to time, the lenders party thereto from time to time and Blue Torch Finance LLC, as Agent (as amended, restated, supplemented or otherwise modified from time to time).

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- (m) **“Exchange Act”** means the United States Securities Exchange Act of 1934, as amended.
- (n) **“Excluded Securities”** means any shares of Common Stock issued or issuable, or deemed issued or issuable pursuant to Section 2(a): (i) in connection with any Approved Stock Plan, (ii) upon exercise of this Warrant, (iii) upon conversion, exercise or exchange of any Options or Convertible Securities (as any adjustment will be made at the time of issuance or amendment of such Options or Convertible Securities pursuant to Section 2(a) or 2(b)); and (iv) as consideration in connection with the acquisition of all or a controlling interest in another business (whether by merger, purchase of stock or assets or otherwise) if such issuance is approved by the Board.
- (o) **“Expiration Date”** means May 24, 2034.
- (p) **“Expiration Time”** means 5:00 p.m. Eastern time on the Expiration Date.
- (q) **“Fully-Diluted Basis”** means, when calculating the aggregate number of shares of Common Stock deemed outstanding as of the time of any applicable determination time, a basis that includes an aggregate number of shares of Common Stock equal to the sum of (without duplication) (i) the aggregate number of shares of Common Stock outstanding as of such determination time, (ii) the aggregate number of shares of Common Stock that would be outstanding assuming the conversion, exchange and exercise of all outstanding Convertible Securities, Common Stock Equivalents and Options as of such determination time and (iii) the aggregate number of shares of Common Stock underlying any outstanding Common Stock Equivalents, Convertible Securities and Options as of such determination time.
- (r) **“Fundamental Transaction”** means (A) that the Company shall, directly or indirectly, including through subsidiaries, Affiliates or otherwise, in one or more related transactions, (i) consolidate or merge with or into (whether or not the Company is the surviving corporation) another Subject Entity, or (ii) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Company or any of its “significant subsidiaries” (as defined in Rule 1-02 of Regulation S-X) to one or more Subject Entities, or (iii) make, or allow one or more Subject Entities to make, or allow the Company to be subject to or have its shares of Common Stock be subject to or party to one or more Subject Entities making, a purchase, tender or exchange offer that is accepted by the holders of at least either (x) 50% of the outstanding shares of Common Stock, (y) 50% of the outstanding shares of Common Stock calculated as if any shares of Common Stock held by all Subject Entities making or party to, or Affiliated with any Subject Entities making or party to, such purchase, tender or exchange offer were not outstanding; or (z) such number of shares of Common Stock such that all Subject Entities making or party to, or Affiliated with any Subject Entity making or party to, such purchase, tender or exchange offer, become collectively the beneficial owners (as defined in Rule 13d-3 under the Exchange Act) of at least 50% of the outstanding shares of Common Stock, or (iv) consummate a stock purchase

agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with one or more Subject Entities whereby all such Subject Entities, individually or in the aggregate, acquire, either (x) at least 50% of the outstanding shares of Common Stock, (y) at least 50% of the outstanding shares of Common Stock calculated as if any shares of Common Stock held by all the Subject Entities making or party to, or Affiliated with any Subject Entity making or party to, such stock purchase agreement or other business combination were not outstanding; or (z) such number of shares of Common Stock such that the Subject Entities become collectively the beneficial owners (as defined in Rule 13d-3 under the Exchange Act) of at least 50% of the outstanding shares of Common Stock, or (v) reorganize, recapitalize or reclassify its shares of Common Stock, (B) that the Company shall, directly or indirectly, including through subsidiaries, Affiliates or otherwise, in one or more related transactions, allow any Subject Entity individually or the Subject Entities in the aggregate to be or become the “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, whether through acquisition, purchase, assignment, conveyance, tender, tender offer, exchange, reduction in outstanding shares of Common Stock, merger, consolidation, business combination, reorganization, recapitalization, spin-off, scheme of arrangement, reorganization, recapitalization or reclassification or otherwise in any manner whatsoever, of either (x) at least 50% of the aggregate ordinary voting power represented by issued and outstanding shares of Common Stock, (y) at least 50% of the aggregate ordinary voting power represented by issued and outstanding shares of Common Stock not held by all such Subject Entities as of the Issuance Date calculated as if any shares of Common Stock held by all such Subject Entities were not outstanding, or (z) a percentage of the aggregate ordinary voting power represented by issued and outstanding shares of Common Stock or other equity securities of the Company sufficient to allow such Subject Entities to effect a statutory short form merger or other transaction requiring other shareholders of the Company to surrender their Common Stock without approval of the shareholders of the Company, or (C) directly or indirectly, including through subsidiaries, Affiliates or otherwise, in one or more related transactions, the issuance of or the entering into any other instrument or transaction structured in a manner to circumvent, or that circumvents, the intent of this definition in which case this definition shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this definition to the extent necessary to correct this definition or any portion of this definition which may be defective or inconsistent with the intended treatment of such instrument or transaction.

- (s) **“Group”** means a “group” as that term is used in Section 13(d) of the Exchange Act and as defined in Rule 13d-5 thereunder.
- (t) **“Options”** means any rights, warrants or options to subscribe for or purchase shares of Common Stock or Convertible Securities.

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- (u) **“Person”** means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity and a government or any department or agency thereof.
 - (v) **“Principal Market”** means the Nasdaq Stock Market or such other securities exchange or securities market on which the Common Stock is then traded.
 - (w) **“Pro Rata Repurchase Offer”** means any offer to purchase shares of Common Stock by the Company or any Affiliate thereof pursuant to (i) any tender offer or exchange offer subject to Section 13(e) or 14(e) of the Exchange Act or Regulation 14E promulgated thereunder or (ii) any other offer available to substantially all holders of Common Stock (subject to satisfaction of any conditions to participation therein such as those relating to minimum holding percentages or accredited status) to purchase or exchange their shares of Common Stock, in the case of both clauses (i) and (ii), whether for cash, shares of capital stock of the Company, other securities of the Company, evidences of indebtedness of the Company or any other Person, or any other property (including, without limitation, shares of capital stock, other securities or evidences of indebtedness of a subsidiary of the Company), or any combination thereof, effected while this Warrant is outstanding. The “effective date” of a Pro Rata Repurchase Offer shall mean the date of acceptance of shares for purchase or exchange by the Company under any tender or exchange offer which is a Pro Rata Repurchase Offer or the date of purchase with respect to any Pro Rata Repurchase Offer that is not a tender or exchange offer.
 - (x) **“Registration Rights Agreement”** means that certain Amended & Restated Registration Rights Agreement, dated as of June 16, 2020, by and among the Company, OC II FIE V LP, Blue Torch Credit Opportunities Fund I LP and BTC Holdings SC Fund LLC (as may be amended, restated, supplemented or otherwise modified from time to time including, for the avoidance of doubt, that certain Amendment No. 1 and Joinder to Amended and Restated Registration Rights Agreement dated as of June 1, 2023).
 - (y) **“SEC”** means the United States Securities and Exchange Commission, or any successor governmental authority.
 - (z) **“Securities Act”** means the United States Securities Act of 1933, as amended.
 - (aa) **“Subject Entity”** means any Person, Persons or Group or any Affiliate or associate of any such Person, Persons or Group.
 - (bb) **“Successor Entity”** means one or more Person or Persons formed by, resulting from or surviving any Fundamental Transaction or one or more Person or Persons with which such Fundamental Transaction shall have been entered into.
 - (cc) **“Successor Major Transaction”** means either a Takeout Major Transaction or an Asset Sale.

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- (dd) **“Successor Major Transaction Consideration”** means (i) in the case of a Takeout Major Transaction, the amount of cash, other assets and/or the number of securities or other property of any Person that are issuable in such Takeout Major Transaction in respect of a number of shares of Common Stock equal to the Successor Major Transaction Conversion Share Amount and (ii) in the case of an Asset Sale, an amount of cash equal to the Black-Scholes Value of this Warrant upon consummation of the applicable Asset Sale.
- (ee) **“Successor Major Transaction Conversion Share Amount”** means an amount equal to (i) the Black-Scholes Value of this Warrant determined as of the date the applicable Successor Major Transaction is consummated divided by (ii) (x) the closing price of the Common Stock on the Principal Market (or such other principal securities exchange or inter-dealer quotation system on which the shares of Common Stock are then traded) on the Trading Day immediately preceding the date on which the applicable Successor Major Transaction is consummated or (y) in the event the Common Stock is not then quoted on the Principal Market or reported on any other national securities exchange or inter-dealer quotation system, the fair market value of one share of Common Stock calculated in accordance with Section 1.1(d), with the date of determination being the Trading Day immediately preceding the date on which the applicable Successor Major Transaction is consummated.
- (ff) **“Takeout Major Transaction”** means a Fundamental Transaction in which the shares of Common Stock of the Company are converted into the right to receive cash, securities of another entity and/or other assets.
- (gg) **“Trading Day”** means any day on which the Common Stock is traded on the Principal Market, or, if the Principal Market is not the principal trading market for the Common Stock, then on the principal securities exchange or securities market on which the Common Stock is then traded.
- (hh) **“Transaction Documents”** means this Warrant, the Registration Rights Agreement and any agreement entered into by and between the Company and the Holder, as applicable (excluding the Credit Agreement and the Other Documents (as defined in the Credit Agreement)).

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Warrant to Purchase Common Stock to be duly executed as of the Issuance Date set out above.

QUANTUM CORPORATION.

By: /s/ Lewis Moorehead
Name: Lewis Moorehead
Title: Vice President of Finance and Treasurer

Acknowledged and Agreed as of the Issuance Date set out above:

OC III LVS XL LP

By: OC III GP LLC, its general partner

By: /s/ Adam L. Gubner
Name: Adam L. Gubner
Title: Authorized Person

[Signature Page to Warrant (OC III LVS XL)]

NOTICE OF EXERCISE

1. The undersigned hereby elects to purchase shares of the Common Stock of Quantum Corporation pursuant to the terms of the attached Warrant. In the event that this Warrant is not fully exercised and has not expired, the Company will issue to the Holder a new warrant representing the Shares not acquired.

2. Payment shall take form of (check applicable box)

in lawful money of the United States, by check or wire transfer in immediately available funds; or

pursuant to a cashless exercise pursuant to Section 1.1(c) of the Warrant.

3. Please issue said shares in the name of the undersigned or in such other name as is specified below:

[Holder]

Attn:

[Address]

[Address]

E-mail:

3. The undersigned represents it is acquiring the shares solely for its own account and not as a nominee for any other party and not with a view toward the resale or distribution thereof except in compliance with applicable securities laws.

HOLDER, or
Assignee

(Signature)

(Name and Title)

(Date)

Schedule 1.1

Black-Scholes Value

| | |
|-----------------------|---|
| Remaining Term | Number of calendar days from date of public announcement of the Successor Major Transaction until the last date on which this Warrant may be exercised. |
| Interest Rate | A risk-free interest rate corresponding to the US\$ LIBOR/Swap rate for a period equal to the Remaining Term.* |
| Cost to Borrow | Zero |
| Volatility | <p>If the first public announcement of the Successor Major Transaction is made at or prior to 4:00 p.m., New York City time, the arithmetic mean of the historical volatility for the 10, 30 and 50 Trading Day periods ending on the date of such first public announcement, obtained from the HVT or similar function on Bloomberg.</p> <p>If the first public announcement of the Successor Major Transaction is made after 4:00 p.m., New York City time, the arithmetic mean of the historical volatility for the 10, 30 and 50 Trading Day periods ending on the next succeeding trading day following the date of such first public announcement, obtained from the HVT or similar function on Bloomberg.</p> |
| Stock Price | The greater of (1) the closing price of the Common Stock on the Principal Market (the " Closing Market Price ") on the Trading Day immediately preceding the date on which a Successor Major Transaction is consummated, (2) the first Closing Market Price following the first public announcement of a Successor Major Transaction, or (3) the Closing Market Price as of the date immediately preceding the first public announcement of the Successor Major Transaction; provided, however, in the event the Common Stock is not then quoted on the Principal Market or reported on any other national securities exchange or inter-dealer quotation system, the stock price shall be the fair market value of the Common Stock calculated in accordance with Section 1.1(d), with the date of determination being the Trading Day immediately preceding the date on which a Successor Major Transaction is consummated. |
| Dividends | Zero. |
| Strike Price | Exercise Price as defined in <u>Section 1(b)</u> . |

* If the LIBOR/Swap rate shall cease to exist in substantially its current form, the Holder shall be permitted to select an alternate interest rate that reasonably approximates the rate of interest per annum at which deposits of United States dollars in immediately available funds are offered by major financial institutions reasonably satisfactory to the Holder in the London interbank market (or a replacement interbank market reasonably determined by the Holder in consultation with the Company).

EIGHTH AMENDMENT AND WAIVER TO
TERM LOAN CREDIT AND SECURITY AGREEMENT

THIS EIGHTH AMENDMENT AND WAIVER TO TERM LOAN CREDIT AND SECURITY AGREEMENT (this "Amendment"), dated as of May 24, 2024 (the "Eighth Amendment Effective Date"), is entered into by and among QUANTUM CORPORATION, a Delaware corporation ("Quantum"), and together with each other Person joined to the Credit Agreement as a borrower from time to time, collectively, the "Borrowers", and each, a "Borrower"), QUANTUM LTO HOLDINGS, LLC, a Delaware limited liability company ("Quantum LTO"), SQUARE BOX SYSTEMS LIMITED, a company incorporated in England and Wales (registered number 03819556) ("Square Box"), and together with Quantum LTO and each other Person joined to the Credit Agreement as a guarantor from time to time, collectively, the "Guarantors", and each, a "Guarantor", and together with the Borrowers, collectively, the "Loan Parties", and each, a "Loan Party"), the financial institutions which are now or which hereafter become a party to the Credit Agreement as lenders (collectively, the "Lenders", and each, a "Lender") constituting the Required Lenders, and BLUE TORCH FINANCE LLC ("Blue Torch"), in its capacity as disbursing agent and collateral agent for the Lenders (in such capacity, together with its successors and assigns, "Agent").

RECITALS

A. Agent, the Lenders and certain of the Loan Parties are parties to that certain Term Loan Credit and Security Agreement, dated as of August 5, 2021, as amended by that certain First Amendment to Term Loan Credit and Security Agreement, dated as of September 30, 2021, that certain Second Amendment to Term Loan Credit and Security Agreement, dated as of March 15, 2022, that certain Third Amendment to Term Loan Credit and Security Agreement, dated as of April 25, 2022, that certain Fourth Amendment to Term Loan Credit and Security Agreement, dated as of June 1, 2023, that certain Fifth Amendment and Waiver to Term Loan Credit and Security Agreement, dated as of February 14, 2024, that certain Sixth Amendment to Term Loan Credit and Security Agreement, dated as of March 22, 2024, and that certain Seventh Amendment and Waiver to Term Loan Credit and Security Agreement, dated as of May 15, 2024 and subject to the Waiver to Term Loan Credit and Security Agreement, dated as of November 13, 2023 (as amended hereby and as the same may have been further amended, supplemented or otherwise modified from time to time prior to the date hereof, the "Credit Agreement"), pursuant to which the Lenders have made and may hereafter make certain loans and have provided and may hereafter provide certain financial accommodations to the Borrowers.

B. The Borrowers have advised Agent and the Lenders that they may not be in compliance with the financial covenant set forth in Section 6.5(c) of the Credit Agreement (the "Specified Financial Covenant") for the four (4) fiscal quarter period ended March 31, 2024 (the "Specified Period");

C. The Borrowers have requested that Agent and the Required Lenders agree to (i) provide the Specified Waivers (as defined herein) and (ii) amend certain provisions of the Credit Agreement as set forth herein, and Agent and the Required Lenders have agreed to provide such waivers and make such amendments, in each case, subject to the terms and conditions set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Interpretation. Capitalized terms used herein and not defined shall have the meanings given to such terms in the Credit Agreement.

2. Waivers.

(a) Pursuant to the request of the Loan Parties and subject to the limitations set forth in Section 4 hereof and satisfaction of the conditions set forth in Section 5 hereof and in reliance on the representations and warranties set forth in Section 6 hereof and otherwise herein, effective as of March 31, 2024 (the "Waiver Effective Date"), notwithstanding anything to the contrary in the Credit Agreement or any Other Document:

(i) for the purposes of (A) the first proviso in Section 1.1 (Accounting Terms) of the Credit Agreement, (B) Section 6.9 (Standards of Financial Statements) of the Credit Agreement, (C) Section 9.7 (Annual Financial Statements) of the Credit Agreement, (D) Section 9.8 (Quarterly Financial Statements) of the Credit Agreement, and (E) Section 9.9 (Monthly Financial Statements) of the Credit Agreement, any requirement in the Credit Agreement or any Other Document that: (x) accounting terms used for the purposes of determining compliance with financial covenants be defined in accordance with GAAP or (y) financial statements of Quantum and/or its Subsidiaries be prepared in accordance with GAAP;

(ii) for the purposes of Section 6.3 (Books and Records) of the Credit Agreement, any requirement that books and records of Quantum and/or its Subsidiaries be maintained in accordance with GAAP;

(iii) any requirement under the Credit Agreement or any Other Document that any Loan Party, any Chief Financial Officer, Treasurer or Controller or other officer of Quantum, or any accountant or auditor (including in any opinions or reports provided by any accountants or auditors) make any certification, representation or warranty with respect to any of the foregoing (including pursuant to a Compliance Certificate) (such certifications, representations and warranties, collectively, "Specified GAAP Representations") and the foregoing requirements set forth in this clause (iii), together with the requirements set forth in the above clauses (i) and (ii), collectively, the "Specified GAAP Requirement";

(iv) any requirement under the Credit Agreement or any Other Document that any Loan Party, any Chief Financial Officer, Treasurer or Controller or other officer of Quantum, or any accountant or auditor (including in any opinions or reports provided by any accountants or auditors) make any certification, representation or warranty that the Specified Restated Financial Information (as such term is defined in paragraph (C) below) fairly present in all material respects the financial condition or operating condition of Quantum and its Subsidiaries (the "Specified Historical Financial Condition Representations"); and

(v) any actual or potential Default or Event of Default under the Credit Agreement or any Other Document (including under Sections 10.2 and 10.9 of the Credit Agreement resulting from an “Event of Default” arising under and defined in the Revolving Loan Agreement) solely as a result of the Specified GAAP Requirement or the failure to comply therewith, or any Specified GAAP Representations or Specified Historical Financial Condition Representations proving to have been untrue, incorrect, or misleading when made or deemed made (including under the Credit Agreement, any Other Document or in any other agreement, documents, certificate or financial or other statement);

in each case, the foregoing are hereby waived by the Required Lenders solely to the extent of and with respect to the financial reporting matters disclosed to the Lenders prior to the Eighth Amendment Effective Date; provided that:

(A) such waivers shall only be effective with and shall only apply with respect to, the financial statements of Quantum and its Subsidiaries for the fiscal quarter and the fiscal month ended March 31, 2024 (and the related Compliance Certificate with respect to such fiscal quarter end and such fiscal month end), and all accounting terms contained in such financial statements or Compliance Certificate (collectively, the “Specified Financial Information”); provided further that, (x) solely for purposes of Section 9.9 (Monthly Financial Statements) of the Credit Agreement, such foregoing waivers shall also apply to the monthly financial statements of Quantum and its Subsidiaries for the fiscal months ended April 30, 2024 and May 31, 2024, and (y) solely for purposes of Section 6.3 (Books and Records) of the Credit Agreement, such foregoing waivers shall also apply to the Loan Parties’ books and records for the fiscal months ended May 31, 2024 and June 30, 2024;

(B) such waivers shall be effective solely so long as, and the applicable requirements in the Credit Agreement and the Other Documents shall instead be that, in lieu of the Specified GAAP Requirement (including with respect to the Specified Financial Information): (x) the accounting terms used for the purposes of determining compliance with financial covenants be defined in accordance with Quantum’s historical accounting practices, (y) the financial statements of Quantum and its Subsidiaries be prepared in accordance with Quantum’s historical accounting practices, and (z) the books and records of Quantum and its Subsidiaries be maintained in accordance with Quantum’s historical accounting practices (and that any applicable Compliance Certificate shall only be required to certify to the applicable foregoing historical account practices standard); and

(C) with respect to clause (v) above, such waivers shall only be effective with respect to and shall only apply with respect to, the financial statements of Quantum and its Subsidiaries for the fiscal years ended March 31, 2021, March 31, 2022 and March 31, 2023 (and for any fiscal quarters or fiscal months ended during such fiscal years or during the fiscal year ended March 31, 2024) (and the related Compliance Certificate with respect to each such fiscal year, fiscal quarter and fiscal month end, as applicable), and all accounting terms contained in such financial statements or Compliance Certificates, in each case, in the event of any update, restatement or amendment after the Waiver Effective Date of any of the financial statements referred to in this clause (C) or of any other financial statements that include the periods referred to in this clause (C) (collectively, the “Specified Restated Financial Information”),

the foregoing limited waivers set forth in this Section 2(a), the “Specified Financial Information Waivers”.

(b) Pursuant to the request of the Loan Parties and subject to the limitations set forth in Section 4 and satisfaction of the conditions set forth in Section 5 hereof and in reliance on the representations and warranties set forth in Section 6 hereof and otherwise herein, effective as of the Waiver Effective Date, notwithstanding anything to the contrary in the Credit Agreement or any Other Document:

(i) any Event of Default under Section 10.4(a) of the Credit Agreement arising from the failure of the Loan Parties to comply with the Specified Financial Covenant for the Specified Period;

(ii) any Event of Default under Section 10.9 of the Credit Agreement resulting from an “Event of Default” arising under and as such term is defined in the Revolving Loan Agreement as a result of the failure to comply with the Specified Financial Covenant for the Specified Period;

(iii) any Event of Default under Section 10.4(b) of the Credit Agreement arising from the failure of the Loan Parties to provide notice of any of the foregoing Events of Default to the Agent and/or the Lenders (including pursuant to Section 9.5(a) of the Credit Agreement);

(iv) any requirement under the Credit Agreement or any Other Document that any Loan Party or the Chief Financial Officer, Treasurer, Controller or other officer of any Loan Party make any certification or representation with respect to any of the foregoing (including pursuant to a Compliance Certificate); and

(v) any Event of Default under Section 10.2 of the Credit Agreement arising from any Specified GAAP Representations or Specified Historical Financial Condition Representations proving to have been untrue, incorrect, or misleading when made or deemed made (including under the Credit Agreement, any Other Document or in any other agreement, documents, certificate or financial or other statement);

in each case, the foregoing are hereby waived by the Required Lenders (the foregoing limited waivers set forth in this Section 2(b), the “Specified Financial Covenant Waivers” and, together with the Specified Financial Information Waivers, the “Specified Waivers”).

3. Amendments to Credit Agreement. Pursuant to the request of the Loan Parties and subject to the limitations set forth in Section 4 and satisfaction of the conditions set forth in Section 5 hereof and in reliance on the representations and warranties set forth in Section 6 hereof and otherwise herein, effective as of the Waiver Effective Date, the Credit Agreement is hereby amended as follows:

(a) Section 1.2 of the Credit Agreement is hereby amended by adding the following defined terms in such section in their proper alphabetical order:

“Eighth Amendment” shall mean the Eighth Amendment and Waiver to Term Loan Credit and Security Agreement, dated as of the Eighth Amendment Effective Date, by and among Agent, the Lenders party thereto, and the Loan Parties.

“Eighth Amendment Effective Date” shall mean May 24, 2024.

(b) Section 6.5 of the Credit Agreement is hereby amended by deleting clauses (c) and (d) thereof in their entirety and replacing them with the following clauses (c) and (d), respectively:

(c) Total Net Leverage Ratio. Maintain as of the end of each fiscal quarter set forth below, a Total Net Leverage Ratio for Quantum and its Subsidiaries, on a consolidated basis, of not greater than the ratio set forth below for each four (4) consecutive fiscal quarter period then ended set forth below and tested by reference to the financial statements with respect to such fiscal quarter delivered (or required to be delivered) to Agent pursuant to Section 9.8:

| <u>Fiscal Quarter Ending</u> | <u>Maximum Total Net Leverage Ratio</u> |
|--|---|
| June 30, 2022 | 6.00:1.00 |
| September 30, 2022 | 6.75:1.00 |
| December 31, 2022 | 6.00:1.00 |
| March 31, 2023 | 4.75:1.00 |
| June 30, 2023 | 5.75:1.00 |
| September 30, 2023 | 6.00:1.00 |
| December 31, 2023 | Not Tested |
| March 31, 2024 | Not Tested |
| June 30, 2024 | 5.00:1.00 |
| September 30, 2024 | 4.25:1.00 |
| December 31, 2024 | 3.75:1.00 |
| March 31, 2025 and each fiscal quarter ending thereafter | 3.00:1.00 |

(d) Minimum Liquidity. Not permit Liquidity (calculated as of each day, commencing with the Fourth Amendment Effective Date) to be less than (i) for the period from the Fourth Amendment Effective Date through and including the date that is immediately prior to the Eighth Amendment Effective Date,

\$15,000,000, (ii) for the period from the Eighth Amendment Effective Date through and including May 31, 2024, \$10,000,000, (iii) for the period from June 1, 2024 through and including June 16, 2024, \$12,500,000, (iv) for the period from June 17, 2024 through and including March 31, 2025, \$15,000,000, (v) for the period from April 1, 2025 through and including September 30, 2025, \$20,000,000, and (vi) from and after October 1, 2025, \$25,000,000, in each case, for any period of more than three (3) consecutive Business Days; provided that, solely for purposes of determining compliance with this Section 6.5(e), the cash and Cash Equivalents described in clause (b) of the definition of “Qualified Cash” shall not be included in the calculation of Liquidity.

(c) Section 9.7 of the Credit Agreement is hereby amended by deleting such section in its entirety and replacing it with the following:

9.7. Annual Financial Statements. Furnish Lenders for each fiscal year, within ninety (90) days after the end of each fiscal year, audited financial statements of Quantum and its Subsidiaries, on a consolidated basis (which shall consist of a balance sheet and statements of income, stockholders’ equity and cash flow), from the beginning of the current fiscal year to the end of such fiscal year and the balance sheet as at the end of such fiscal year, all prepared in accordance with GAAP in all material respects, and in reasonable detail and audited by independent certified public accountants reasonably acceptable to the Required Lenders (the “Accountants”) and, except (x) with respect to the audited financial statements for the fiscal year ended March 31, 2024 or (y) to the extent permitted by Section 1.1 hereof, certified without qualification; provided, that the foregoing is subject to the proviso set forth in Section 6.9 hereof. The reports described in this Section shall be accompanied by a Compliance Certificate.

(d) Section 9.8 of the Credit Agreement is hereby amended by deleting such section in its entirety and replacing it with the following

9.8. Quarterly Financial Statements. Furnish Lenders within (i) forty-five (45) days after the end of each fiscal quarter of each fiscal year (commencing with the first fiscal quarter ending after the Closing Date), (a) an unaudited balance sheet of Quantum and its Subsidiaries, on a consolidated and consolidating basis, and unaudited statements of income, stockholders’ equity and cash flow of Quantum and its Subsidiaries, on a consolidated and consolidating basis, reflecting results of operations from the beginning of the fiscal year to the end of such fiscal quarter and for such fiscal quarter, all prepared in accordance with GAAP in all material respects, subject to normal and year-end adjustments that individually and in the aggregate are not material to the business operations of Quantum and its Subsidiaries and setting forth in comparative form the respective financial statements for the corresponding date and period in the previous fiscal year and (b) a written statement of management of Quantum setting forth a discussion of the financial condition, changes in financial condition and results of operations of Quantum and its Subsidiaries, and (ii) five (5) Business Days after the end of the fiscal quarter ended June 30, 2024, an unaudited balance sheet and unaudited

statement of income of Quantum and its Subsidiaries, on a consolidated and consolidating basis, for such fiscal quarter, all prepared in accordance with GAAP in all material respects, subject to normal and year-end adjustments that individually and in the aggregate are not material to the business operations of Quantum and its Subsidiaries; provided, that each of the foregoing is subject to the proviso set forth in Section 6.9 hereof. The reports described in clause (i) of this Section shall be accompanied by a Compliance Certificate. The financial information described in clause (ii) of this Section shall be accompanied by a certificate containing a calculation of Total Net Leverage Ratio for Quantum and its Subsidiaries, on a consolidated basis, as of June 30, 2024, which calculation may use an estimated EBITDA (to the extent such estimate is calculated in a manner consistent with prior calculations of EBITDA as reflected in the most recent Compliance Certificate delivered by the Loan Parties), and such financial information and calculation may be used by the Agent and Required Lenders in determining compliance with Section 6.05(c) for the Fiscal Quarter ending June 30, 2024.

4. Limitations to Waivers and Amendments to Credit Agreement: Additional Covenants

(a) Agent's and the Lenders' agreements under Sections 2 and 3 hereof to waive certain of their rights and remedies under the Credit Agreement, the Other Documents and otherwise and to amend certain of the provisions of the Credit Agreement shall be limited precisely as written and shall not be deemed to (i) be an amendment or a waiver of any other actual or potential Default or Event of Default or any other term or condition of the Credit Agreement or any Other Documents or to prejudice any right or remedy which such persons may now have or may have in the future under or in connection with the Credit Agreement, the Other Documents or otherwise (including without limitation with respect to the requirement to comply with GAAP under the Credit Agreement and the Other Documents) other than with respect to the Specified Waivers, (ii) be a consent to any amendment, waiver or modification of any other term or condition of the Credit Agreement or of any Other Documents, (iii) prejudice any right that Agent or the Lenders have or may have in the future under or in connection with the Credit Agreement or any Other Documents, (iv) create any obligation to forbear from taking any enforcement action, or to make any further extensions of credit except with respect to the Specified Waivers, (v) establish a custom or course of dealing among the Loan Parties, on the one hand, or Agent and/or any Lender, on the other hand, or (vi) be a consent to any future agreement or waiver.

(b) The Loan Parties agree to make substantial progress (as determined by the Agent and the Required Lenders in their sole discretion) by June 21, 2024 (or such later date as may be agreed by the Agent in its sole discretion) on certain business initiatives.

(c) The Loan Parties agree to make substantial progress (as determined by the Agent and the Required Lenders in their sole discretion) by June 28, 2024 (or such later date as may be agreed by the Agent in its sole discretion) on certain business initiatives.

(d) At any time Liquidity is below \$15,000,000 during any week, the Borrowers shall furnish to the Lenders (i) commencing on the first Wednesday after the Eighth Amendment Effective Date and for each week thereafter, a calculation of Liquidity as of the last day of the preceding week in form and substance reasonably satisfactory to the Agent and Required Lenders and (ii) commencing on the third Wednesday after the Eighth Amendment Effective Date and every two weeks thereafter, an updated rolling 13-Week Cash Flow (as defined below) as of the last day of the preceding two-week period in form and substance reasonably satisfactory to the Agent and Required Lenders, which shall include a comparison against Liquidity and actual cash flows for any period contained in any prior 13-Week Cash Flow.

(e) On or before June 6, 2024, the board of directors of Quantum (the "Quantum Board") shall approve a resolution in form and substance reasonably acceptable to the Agent and Required Lenders appointing (to the extent not prohibited by Applicable Law) a new member to the Quantum Board, which member shall be an independent director selected by the Quantum Board in consultation with and acceptable to the Agent and Required Lenders in their sole discretion (the "New Member"). The New Member shall have the right to attend and receive all materials distributed for or at all meetings (telephonic or otherwise) of the Quantum Board and otherwise benefit from rights that are customary for independent directors of public companies of this type. The New Member will be notified of all meetings consistent with Quantum's Bylaws and concurrently with the other members of the Quantum Board. The New Member shall participate in Quantum's Non-Employee Director Compensation program for non-employee directors (or receive such other compensation as agreed to by such New Member and Quantum) and have reasonable and documented out-of-pocket costs and expenses incurred in connection with participation in meetings of the Quantum Board reimbursed by Quantum in accordance with Quantum's expense reimbursement policies applicable to the Quantum Board. The Loan Parties shall not modify the resolutions providing for the appointment and authority of the New Member until the earlier of (i) Payment in Full of the Obligations, (ii) Payment in Full (including by way of assignment of transfer) of the Obligations of each Lender that is an affiliate of, or a fund controlled or managed by, Blue Torch Capital LP or any of its affiliates (such Lenders, the "Blue Torch Lenders"), or (iii) such earlier date agreed to by the Agent and Required Lenders in their sole discretion (such date, the "Blue Torch Takeout Date"). Upon the Blue Torch Takeout Date, any New Member that has been appointed pursuant to this paragraph shall tender his/her resignation and the Blue Torch Lenders hereby agree to cooperate with Quantum to implement such resignation in advance of any such Blue Torch Takeout Date, including but not limited to having the New Member agree in advance of being appointed to the Quantum Board to resign under such circumstances in accordance with this paragraph.

Failure to satisfy any of the foregoing items in Sections 4(b) through 4(e) above shall constitute an immediate Event of Default.

5. Conditions Precedent. The effectiveness of this Amendment is expressly conditioned upon the satisfaction of each of the following conditions precedent:

- (a) Agent shall have received this Amendment, duly authorized, executed and delivered by each Loan Party and the Required Lenders.

(b) As of the Eighth Amendment Effective Date, immediately after giving effect to this Amendment, the Specified Waivers and the Revolving Loan Amendment (as defined below), no Default or Event of Default shall have occurred and be continuing.

(c) As of the Eighth Amendment Effective Date, immediately after giving effect to this Amendment, the Specified Waivers and the Revolving Loan Amendment, the representations and warranties set forth in Section 6 hereof shall be true and correct in all material respects (without duplication of any materiality qualifier).

(d) The Lenders shall have received a cash flow forecast of the Borrower and its Subsidiaries created in consultation with the Borrower's advisors in form and substance satisfactory to the Agent and the Required Lenders for the period beginning May 17, 2024 (the "13-Week Cash Flow").

(e) The Lenders (or their respective Affiliates, as directed by the Lenders) shall have received, on a pro rata basis, in accordance with the outstanding principal amount of Term Loans held by such Lenders on and as of the Eighth Amendment Effective Date (immediately prior to giving effect to this Amendment), 2,000,000 warrants issued by Quantum, in form and substance satisfactory to the Lenders, to purchase Equity Interests of Quantum at the agreed purchase price.

(f) Agent shall have received, in form and substance reasonably satisfactory to Agent, a waiver and amendment under the Revolving Loan Agreement (the "Revolving Loan Amendment"), duly authorized, executed and delivered by the Borrowers, the Guarantors, the Revolving Loan Agent and the Revolving Loan Lenders.

(g) The Loan Parties shall have paid (or shall pay substantially concurrently with the Eighth Amendment Effective Date), all costs, expenses and fees owed to Agent and the Lenders in connection with the preparation, execution and delivery of this Amendment to the extent invoiced prior to the Eighth Amendment Effective Date.

Agent shall notify the Borrowers in writing of the effectiveness of this Amendment, which notice shall be conclusive and binding on all parties to the Credit Agreement. For the avoidance of doubt, it is understood and agreed that such written notification shall not be a condition to the effectiveness of this Amendment or the occurrence of the Waiver Effective Date or the Eighth Amendment Effective Date.

6. Representations and Warranties. In addition to the continuing representations and warranties heretofore or hereafter made by the Loan Parties to Agent and Lenders pursuant to the Credit Agreement and the Other Documents, each Loan Party hereby represents and warrants to Agent and each Lender as follows:

(a) each Loan Party has full power, authority and legal right to enter into this Amendment and to perform all its respective Obligations hereunder;

(b) this Amendment has been duly executed and delivered by each Loan Party;

(c) this Amendment constitutes the legal, valid and binding obligation of each Loan Party enforceable in accordance with its terms, except as such enforceability may be limited by any applicable bankruptcy, insolvency, moratorium or similar Laws affecting creditors' rights generally;

(d) the execution, delivery and performance of this Amendment (i) are within each Loan Party's corporate or limited liability company powers, as applicable, (ii) have been duly authorized by all necessary corporate or limited liability company action, as applicable, (iii) are not in contravention of law or the terms of such Loan Party's Organizational Documents or to the conduct of such Loan Party's business or any Material Contract or undertaking to which such Loan Party is a party or by which such Loan Party is bound, including without limitation the Revolving Loan Documents, (iv) will not conflict with or violate any material provisions of any law or regulation, or any judgment, order or decree of any Governmental Body, (v) will not require the Consent of any Governmental Body, any party to a Material Contract or any other Person, except (x) any Consents of any party to a Material Contract or any other Person (other than a Governmental Body) with respect to which the failure to obtain could not reasonably be expected, individually or in the aggregate to have a Material Adverse Effect, (y) any immaterial Consents of any Governmental Body, or (z) those Consents set forth on Schedule 5.1 to the Credit Agreement, all of which will have been duly obtained, made or complied with prior to the Eighth Amendment Effective Date and which are in full force and effect on the Eighth Amendment Effective Date, and (vi) will not conflict with, nor result in any breach in any of the provisions of or constitute a default under or result in the creation of any Lien except Permitted Encumbrances upon any asset of such Loan Party under the provisions of any material agreement, instrument, or other document to which such Loan Party is a party or by which it or its property is a party or by which it may be bound, including without limitation any of the Revolving Loan Documents;

(e) each Loan Party is duly formed or incorporated, as applicable, and in good standing under the laws of the state of its incorporation or formation, as applicable, and is good standing in such state and is qualified to do business in any state where the failure to be so qualified could reasonably be expected to result in a Material Adverse Effect;

(f) each of the representations and warranties made by any Loan Party in the Credit Agreement and the Other Documents, after giving effect to this Amendment and the Revolving Loan Amendment, are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that are qualified or modified by materiality in the text thereof) as if made on the Eighth Amendment Effective Date and after giving effect to this Amendment and the Revolving Loan Amendment and the transactions contemplated hereby and thereby, except to the extent that any such representation or warranty is made as of an earlier and/or specified date, in which case such representation or warranty shall have been true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that are qualified or modified by materiality in the text thereof) as of such earlier or specified date; and

(g) on the Eighth Amendment Effective Date, after giving effect to this Amendment, the Specified Waivers and all necessary waivers and amendments granted pursuant to the Revolving Loan Amendment, no Default or Event of Default exists or has occurred and is continuing.

7. Reservation of Rights and Retesting of Covenants. The Loan Parties each acknowledge and confirm that, after Quantum and its Subsidiaries finalize (and, if needed, update) all their financial statements that are updated, restated or otherwise amended in accordance with the fiscal reporting period ended March 31, 2024 (“FY2024”) (and with respect to Section 9.9 (Monthly Financial Statements) of the Credit Agreement, the monthly financial statements for the fiscal months ended April 30, 2024 and May 31, 2024, respectively) and submitted or filed with the SEC or otherwise in accordance with relevant applicable law for each applicable period, Agent and Lenders reserve all rights to (1) review and confirm all financial reporting under the Credit Agreement that is subject of this Amendment to be in conformance with GAAP in all material respects and in compliance with the applicable requirements of the Credit Agreement for FY2024 and the fiscal months ended April 30, 2024 and May 31, 2024, respectively and (2) retest all financial covenants under the Credit Agreement (as amended hereby) with respect to FY2024 (and with respect to Section 9.9 (Monthly Financial Statements) of the Credit Agreement, the monthly financial statements for the fiscal months ended April 30, 2024 and May 31, 2024, respectively and as applicable). Notwithstanding anything to the contrary, except with respect to the Specified Financial Covenant for the Specified Period or as otherwise expressly amended pursuant hereto: (x) any breach, Default or Event of Default that occurs upon any of the foregoing review or testing of the waived financial reporting or financial covenants shall be deemed to have occurred when the testing was originally required (or financial reporting required to be delivered) under the Credit Agreement and Other Documents (in each case, as amended hereby) and (y) none of the financial covenant testing in Section 6.5 of the Credit Agreement (as amended hereby) or elsewhere in the Credit Agreement or Other Documents (in each case, as amended hereby) shall be amended or adjusted by this Amendment or by any updates, amendments or adjustments to the company’s financial reporting in connection with this Amendment.

8. Amendment Fee. In consideration of the agreements set forth herein, Borrowers hereby agree to pay to Agent, for the pro rata benefit of the Lenders, an amendment fee in the amount of \$756,324.81 (1.00% of the outstanding principal amount of the Term Loans as of the Eighth Amendment Effective Date (immediately prior to giving effect to such fee)), which fee shall be fully earned, due and payable on and as of (and subject to the occurrence of) the Eighth Amendment Effective Date and shall be paid in kind, for the account of the Relevant Lenders, by capitalizing and adding such amount to the outstanding principal amount of their respective Term Loans on and as of the Eighth Amendment Effective Date (immediately prior to giving effect to such fee), in each case, in accordance with their pro rata shares thereof. Each of the Lenders hereby agrees and consents to the foregoing.

9. Costs and Expenses. Each Loan Party, jointly and severally, agrees to pay on demand all costs and expenses of Agent and the Lenders incurred in connection with the preparation, negotiation, execution and delivery of this Amendment and the other agreements, instruments and documents to be delivered hereunder (including, without limitation, the reasonable fees, disbursements and other charges of counsel to each of Agent and the Lenders with respect thereto) in accordance with the Credit Agreement.

10. Reaffirmation.

(a) Each Loan Party hereby ratifies and reaffirms (i) all of its payment and performance obligations, contingent or otherwise, under the Credit Agreement and each of the Other Documents to which it is a party, and (ii) its grant to Agent of a security interest in the Collateral under the Credit Agreement and each of the Other Documents to which it is a party.

(b) Square Box hereby confirms for the benefit of the Secured Parties that all obligations owed by it pursuant to Article XVII of the Credit Agreement shall remain in full force and effect notwithstanding the waivers and modifications referred to in this Amendment.

11. Acknowledgments. To induce Agent and Lenders to enter into this Amendment, each Loan Party acknowledges that:

(a) as of the Eighth Amendment Effective Date, (i) Agent and Lenders have performed without default all obligations required of Agent and Lenders under the Credit Agreement and each of the Other Documents; and (ii) there are no disputes with or claims against Agent or Lenders, or any knowledge of any facts giving rise to any disputes or claims, related to the Credit Agreement or any of the Other Documents, including, without limitation, any disputes or claims or knowledge of facts giving rise thereto, that involve a breach or violation on the part of Agent or any Lender of the terms and conditions of the Credit Agreement or any of the Other Documents; and

(b) no Loan Party has any valid defense to the enforcement of its respective obligations set forth in the Credit Agreement, the Other Documents or this Amendment, as applicable, by reason of any circumstance, action, cause or thing whatsoever which arises at any time on or prior to Eighth Amendment Effective Date.

12. Release of Claims. In consideration of the Lenders' and Agent's agreements contained in this Amendment, each Loan Party hereby irrevocably releases and forever discharges the Lenders and Agent and their respective successors, permitted assigns, and each of their respective officers, directors, Affiliates, attorneys, employees and agents (each, a "Released Person") of and from any and all claims, suits, actions, investigations, proceedings or demands, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law of any kind or character, known or unknown, which such Loan Party ever had or now has against Agent, any Lender or any other Released Person which relates, directly or indirectly, to any acts or omissions of Agent, any Lender or any other Released Person relating to the Credit Agreement or Other Document prior to the Eighth Amendment Effective Date.

13. Governing Law. This Amendment and all matters relating hereto or arising herefrom (whether arising under contract law, tort law or otherwise) shall, in accordance with Section 5-1401 of the General Obligations Law of the State of New York, be governed by and construed in accordance with the Laws of the State of New York.

14. Reference to Credit Agreement. Each of the Credit Agreement and the Other Documents, and any and all other agreements, documents or instruments nor or hereafter executed and/or delivered pursuant to the terms hereof or pursuant to the terms of the Credit Agreement as modified hereby, are hereby amended so that any reference therein to the Credit Agreement, whether direct or indirect, shall mean a reference to the Credit Agreement as modified hereby. This Amendment shall constitute an Other Document under the Credit Agreement.

15. Effect of this Amendment. Except as expressly amended or waived pursuant hereto, no other changes, waivers or modifications to the Credit Agreement or any of the Other Documents are intended or implied, and in all other respects, the Credit Agreement and each of the Other Documents is hereby specifically ratified, restated and confirmed by all parties hereto as of the Eighth Amendment Effective Date. To the extent that any provision of the Credit Agreement or any of the Other Documents are inconsistent with the provisions of this Amendment, the provisions of this Amendment shall control.

16. Binding Effect. This Amendment shall be binding upon and inure to the benefit of each party hereto and their respective successors and permitted assigns.

17. Further Assurances. The Loan Parties shall execute and deliver such further documents and do such further acts and things as may be reasonably requested by Agent to effectuate the provisions and purposes of this Amendment.

18. Counterparts; Electronic Signature. This Amendment may be executed in any number of separate counterparts, all of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same agreement. Any signature delivered by a party by facsimile or electronic transmission (including email transmission of a .pdf image) shall be deemed to be an original signature hereto and shall be as effective as delivery of a manually executed counterpart hereof. The words "execution," "execute," "signed," "signature," and words of like import in or related to this Amendment or any document to be signed in connection with this Amendment shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

19. Entire Understanding. This Amendment and the documents executed concurrently herewith contain the entire understanding between each Loan Party, Agent and each Lender and supersede all prior agreements and understandings, if any, relating to the subject matter hereof.

20. Severability. If any part of this Amendment is contrary to, prohibited by, or deemed invalid under Applicable Laws, such provision shall be inapplicable and deemed omitted to the extent so contrary, prohibited or invalid, but the remainder hereof shall not be invalidated thereby and shall be given effect so far as possible.

21. Captions. The captions at various places in this Amendment are intended for convenience only and do not constitute and shall not be interpreted as part of this Amendment.

22. Jury Waiver. EACH PARTY TO THIS AMENDMENT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, COUNTERCLAIM, DEMAND, ACTION OR CAUSE OF ACTION (A) ARISING UNDER THIS AMENDMENT, ANY OTHER DOCUMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH, OR (B) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO THIS AMENDMENT, ANY OTHER DOCUMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH, OR THE TRANSACTIONS RELATED HERETO OR THERETO IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE AND EACH PARTY HEREBY CONSENTS THAT ANY SUCH CLAIM, COUNTERCLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS AMENDMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENTS OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

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IN WITNESS WHEREOF, the parties have entered into this Amendment as of the date first above written.

BORROWERS:

QUANTUM CORPORATION

By: /s/ Lewis Moorehead
Name: Lewis Moorehead
Title: Vice President of Finance and Treasurer

GUARANTORS:

SQUARE BOX SYSTEMS LIMITED

By: /s/ Lewis Moorehead
Name: Lewis Moorehead
Title: Director

QUANTUM LTO HOLDINGS, LLC

By: /s/ Lewis Moorehead
Name: Lewis Moorehead
Title: Vice President of Finance and Treasurer

[Eighth Amendment and Waiver to Term Loan Credit and Security Agreement]

AGENT AND LENDERS:

BLUE TORCH FINANCE LLC, solely in its capacity as Agent and not in its individual capacity

By: /s/ Kevin Genda

Name: Kevin Genda

Title: Authorized Signatory

BLUE TORCH CREDIT OPPORTUNITIES FUND II LP, as a Lender

By: Blue Torch Credit Opportunities GP II LLC, its general partner

By: KPG BTC Management LLC, its sole member

By: /s/ Kevin Genda

Name: Kevin Genda

Title: Authorized Signatory

BTC HOLDINGS SBAF FUND LLC, as a Lender

By: Blue Torch Credit Opportunities SBAF Fund LP, its sole member

By: Blue Torch Credit Opportunities SBAF GP LLC, its general partner

By: KPG BTC Management LLC, its sole member

By: /s/ Kevin Genda

Name: Kevin Genda

Title: Authorized Signatory

BTC HOLDINGS KRS FUND LLC, as a Lender

By: Blue Torch Credit Opportunities KRS Fund LP, its sole member

By: Blue Torch Credit Opportunities KRS GP LLC, its general partner

By: KPG BTC Management LLC, its sole member

By: /s/ Kevin Genda

Name: Kevin Genda

Title: Authorized Signatory

[Eighth Amendment and Waiver to Term Loan Credit and Security Agreement]

**BLUE TORCH OFFSHORE CREDIT
OPPORTUNITIES MASTER FUND II LP, as a Lender**

By: Blue Torch Offshore Credit Opportunities GP
II LLC, its General Partner

By: KPG BTC Management LLC, its sole member

By: /s/ Kevin Genda

Name: Kevin Genda

Title: Authorized Signatory

BTC HOLDINGS SC FUND LLC, as a Lender

By: Blue Torch Credit Opportunities SC Master Fund LP,
its sole member

By: Blue Torch Credit Opportunities SC GP LLC, its
general partner

By: KPG BTC Management LLC, its sole member

By: /s/ Kevin Genda

Name: Kevin Genda

Title: Authorized Signatory

[Eighth Amendment and Waiver to Term Loan Credit and Security Agreement]

OC III LVS XXXIII LP, as a Lender

By: By: OC III GP II LLC, its general partner

By: /s/ Adam L. Gubner

Name: Adam L. Gubner

Title: Authorized Person

CO FINANCE LVS XVII LLC, as a Lender

By: /s/ Gabe Goldstein

Name: Gabe Goldstein

Title: Authorized Person

[Eighth Amendment and Waiver to Term Loan Credit and Security Agreement]

FOURTEENTH AMENDMENT AND WAIVER TO
AMENDED AND RESTATED REVOLVING CREDIT AND SECURITY AGREEMENT

THIS FOURTEENTH AMENDMENT AND WAIVER TO AMENDED AND RESTATED REVOLVING CREDIT AND SECURITY AGREEMENT (this "Amendment"), dated as of May 24, 2024 (the "Fourteenth Amendment Effective Date"), is entered into by and among QUANTUM CORPORATION, a Delaware corporation ("Quantum"), QUANTUM LTO HOLDINGS, LLC, a Delaware limited liability company ("Quantum LTO"), and together with Quantum and each other Person joined to the Credit Agreement as a borrower from time to time, collectively, the "Borrowers", and each, a "Borrower"), SQUARE BOX SYSTEMS LIMITED, a company incorporated in England and Wales (registered number 03819556) ("Square Box"), and together with each other Person joined to the Credit Agreement as a guarantor from time to time, collectively, the "Guarantors", and each, a "Guarantor", and together with the Borrowers, collectively, the "Loan Parties", and each, a "Loan Party"), the financial institutions which are now or which hereafter become a party to the Credit Agreement as lenders (collectively, the "Lenders", and each, a "Lender"), and PNC BANK, NATIONAL ASSOCIATION, in its capacity as agent for the Lenders (in such capacity, together with its successors and assigns, "Agent").

RECITALS

A. Agent, the Lenders and certain of the Loan Parties are parties to the Amended and Restated Revolving Credit and Security Agreement, dated as of December 27, 2018, as amended by the First Amendment to Amended and Restated Revolving Credit and Security Agreement, dated as of April 3, 2020, the Second Amendment to Amended and Restated Revolving Credit and Security Agreement, dated as of April 11, 2020, the Third Amendment to Amended and Restated Revolving Credit and Security Agreement, dated as of June 16, 2020, the Fourth Amendment to Amended and Restated Revolving Credit and Security Agreement, dated as of December 10, 2020, the Fifth Amendment to Amended and Restated Revolving Credit and Security Agreement, dated as of February 5, 2021, the Sixth Amendment to Amended and Restated Revolving Credit and Security Agreement, dated as of August 5, 2021, the Seventh Amendment to Amended and Restated Revolving Credit and Security Agreement, dated as of September 30, 2021, the Eighth Amendment to Amended and Restated Revolving Credit and Security Agreement, dated as of March 15, 2022, the Ninth Amendment to Amended and Restated Revolving Credit and Security Agreement, dated as of April 25, 2022, the Tenth Amendment to Amended and Restated Revolving Credit and Security Agreement, dated as of June 1, 2023, the Eleventh Amendment and Waiver to Amended and Restated Revolving Credit and Security Agreement, dated as of February 14, 2024, the Twelfth Amendment to Amended and Restated Revolving Credit and Security Agreement, dated as of March 22, 2024, and the Thirteenth Amendment and Waiver to Amended and Restated Revolving Credit and Security Agreement, dated as of May 15, 2024 (as amended hereby and as the same may be further amended, modified, supplemented, renewed, restated or replaced from time to time, the "Credit Agreement"), pursuant to which the Lenders have made and may hereafter make certain loans and have provided and may hereafter provide certain financial accommodations to the Borrowers.

B. The Borrowers have advised Agent and the Lenders that they may not be in compliance with the financial covenant set forth in Section 6.5(c) of the Credit Agreement (the "Specified Financial Covenant") for the four (4) fiscal quarter period ended March 31, 2024 (the "Specified Period");

C. The Borrowers have requested that Agent and the Lenders agree to (i) provide the Specified Waivers (as defined herein) and (ii) amend certain provisions of the Credit Agreement as set forth herein, and Agent and the Required Lenders have agreed to provide such waivers and make such amendments, in each case, subject to the terms and conditions set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Definitions.

(a) Interpretation. Capitalized terms used herein and not defined shall have the meanings given to such terms in the Credit Agreement.

(b) New Definitions. The following defined terms are hereby added to Section 1.2 of the Credit Agreement in their proper alphabetical order:

“Fourteenth Amendment” shall mean the Fourteenth Amendment and Waiver to Amended and Restated Revolving Credit and Security Agreement, dated as of the Fourteenth Amendment Effective Date, by and among Agent, Lenders and the Loan Parties.

“Fourteenth Amendment Effective Date” shall have the meaning given to such term in the Fourteenth Amendment.

2. Waivers.

(a) Pursuant to the request of the Loan Parties and subject to the limitations set forth in Section 4 hereof and satisfaction of the conditions set forth in Section 5 hereof and in reliance on the representations and warranties set forth in Section 6 hereof and otherwise herein, effective as of March 31, 2024 (the “Waiver Effective Date”), notwithstanding anything to the contrary in the Credit Agreement or any Other Document:

(i) for the purposes of (A) the first proviso in Section 1.1 (Accounting Terms) of the Credit Agreement, (B) Section 6.9 (Standards of Financial Statements) of the Credit Agreement, (C) Section 9.7 (Annual Financial Statements) of the Credit Agreement, (D) Section 9.8 (Quarterly Financial Statements) of the Credit Agreement, and (E) Section 9.9 (Monthly Financial Statements) of the Credit Agreement, any requirement in the Credit Agreement or any Other Document that: (x) accounting terms used for the purposes of determining compliance with financial covenants be defined in accordance with GAAP or (y) financial statements of Quantum and/or its Subsidiaries be prepared in accordance with GAAP;

(ii) for the purposes of Section 6.3 (Books and Records) of the Credit Agreement, any requirement that books and records of Quantum and/or its Subsidiaries be maintained in accordance with GAAP;

(iii) any requirement under the Credit Agreement or any Other Document that any Loan Party, any Chief Financial Officer, Treasurer or Controller or other officer of Quantum, or any accountant or auditor of Quantum (including in any opinions or reports provided by any such accountant or auditor) make any certification, representation or warranty with respect to any of the foregoing (including pursuant to a Compliance Certificate) (such certifications, representations and warranties, collectively, “Specified GAAP Representations” and the foregoing requirements set forth in this clause (iii), together with the requirements set forth in the above clauses (i) and (ii), collectively, the “Specified GAAP Requirement”);

(iv) any requirement under the Credit Agreement or any Other Document that any Loan Party, any Chief Financial Officer, Treasurer or Controller or other officer of Quantum, or any accountant or auditor (including in any opinions or reports provided by any accountants or auditors) make any certification, representation or warranty that the Specified Restated Financial Information (as such term is defined in paragraph (C) below) fairly present in all material respects the financial condition or operating condition of Quantum and its Subsidiaries (the “Specified Historical Financial Condition Representations”); and

(v) any actual or potential Default or Event of Default under the Credit Agreement or any Other Document (including under Sections 10.2 or 10.11 of the Credit Agreement resulting from an “Event of Default” arising under and defined in the Term Loan Agreement) solely as a result of the Specified GAAP Requirement or the failure to comply therewith, or any Specified GAAP Representations or Specified Historical Financial Condition Representations proving to have been incorrect or misleading in any material respect on the date when made or deemed to have been made (including under the Credit Agreement, any Other Document or in any other agreement, documents, certificate or financial or other statement);

in each case, the foregoing are hereby waived by the Required Lenders solely to the extent of and with respect to the financial reporting matters disclosed to the Lenders prior to the Fourteenth Amendment Effective Date; provided that:

(A) such waivers shall only be effective with and shall only apply with respect to, the financial statements of Quantum and its Subsidiaries for the fiscal quarter and the fiscal month ended March 31, 2024 (and the related Compliance Certificate with respect to such fiscal quarter end and such fiscal month end), and all accounting terms contained in such financial statements or Compliance Certificate (collectively, the “Specified Financial Information”); provided further that, (x) solely for purposes of Section 9.9 (Monthly Financial Statements) of the Credit Agreement, such foregoing waivers shall also apply to the monthly financial statements of Quantum and its Subsidiaries for the fiscal months ended April 30, 2024 and May 31, 2024, and (y) solely for purposes of Section 6.3 (Books and Records) of the Credit Agreement, such foregoing waivers shall also apply to the Loan Parties’ books and records for the fiscal months ended May 31, 2024 and June 30, 2024;

(B) such waivers shall be effective solely so long as, and the applicable requirements in the Credit Agreement and the Other Documents shall instead be that, in lieu of the Specified GAAP Requirement (including with respect to the Specified Financial Information): (x) the accounting terms used for the purposes of determining compliance with financial covenants be defined in accordance with Quantum’s historical accounting practices, (y) the financial statements of Quantum and its Subsidiaries be prepared in accordance with Quantum’s historical accounting practices, and (z) the books and records of Quantum and its Subsidiaries be maintained in accordance with Quantum’s historical accounting practices (and that any applicable Compliance Certificate shall only be required to certify to the applicable foregoing historical account practices standard); and

(C) with respect to clause (v) above, such waivers shall only be effective with respect to and shall only apply with respect to, the financial statements of Quantum and its Subsidiaries for the fiscal years ended March 31, 2021, March 31, 2022 and March 31, 2023 (and for any fiscal quarters or fiscal months ended during such fiscal years or during the fiscal year ended March 31, 2024) (and the related Compliance Certificate with respect to each such fiscal year, fiscal quarter and fiscal month end, as applicable), and all accounting terms contained in such financial

statements or Compliance Certificates, in each case, in the event of any update, restatement or amendment after the Waiver Effective Date of any of the financial statements referred to in this clause (C) or of any other financial statements that include the periods referred to in this clause (C) (collectively, the “Specified Restated Financial Information”),

the foregoing limited waivers set forth in this Section 2(a), the “Specified Financial Information Waivers”.

(b) Pursuant to the request of the Loan Parties and subject to the limitations set forth in Section 4 hereof and satisfaction of the conditions set forth in Section 5 hereof and in reliance on the representations and warranties set forth in Section 6 hereof and otherwise herein, effective as of the Waiver Effective Date, notwithstanding anything to the contrary in the Credit Agreement or any Other Document:

- (i) any Event of Default under Section 10.5(a) of the Credit Agreement arising from the failure of the Loan Parties to comply with the Specified Financial Covenant for the Specified Period;
- (ii) any Event of Default under Section 10.11 of the Credit Agreement resulting from an “Event of Default” arising under and as such term is defined in the Term Loan Agreement as a result of the failure to comply with the Specified Financial Covenant for the Specified Period;
- (iii) any Event of Default under Section 10.5(b) of the Credit Agreement arising from the failure of the Loan Parties to provide notice of any of the foregoing Events of Default to the Agent and/or the Lenders (including pursuant to Section 9.5(a) of the Credit Agreement);
- (iv) any requirement under the Credit Agreement or any Other Document that any Loan Party or the Chief Financial Officer, Treasurer, Controller or other officer of any Loan Party make any certification or representation with respect to any of the foregoing (including pursuant to a Compliance Certificate); and
- (v) any Event of Default under Section 10.2 of the Credit Agreement arising from any Specified GAAP Representations or Specified Historical Financial Condition Representations proving to have been incorrect or misleading in any material respect when made or deemed to have been made (including under the Credit Agreement, any Other Document or in any other agreement, documents, certificate or financial or other statement),

in each case, the foregoing are hereby waived by the Required Lenders (the foregoing limited waivers set forth in this Section 2(b), the “Specified Financial Covenant Waivers” and, together with the Specified Financial Information Waivers, the “Specified Waivers”.

3. Amendments to Credit Agreement. Subject to the limitations set forth in Section 4 hereof and satisfaction of the conditions set forth in Section 5 hereof and in reliance on the representations and warranties set forth in Section 6 hereof and otherwise herein, effective as of the Waiver Effective Date:

(a) Section 6.5 of the Credit Agreement is hereby amended by deleting clause (c) thereof in its entirety and replacing it with the following:

(c) Total Net Leverage Ratio. Maintain as of the end of each fiscal quarter set forth below, a Total Net Leverage Ratio for Quantum and its Subsidiaries, on a consolidated basis, of not greater than the ratio set forth below for each four (4) consecutive fiscal quarter period then ended set forth below and tested by reference to the financial statements with respect to such fiscal quarter delivered (or required to be delivered) to Agent pursuant to Section 9.8 hereof:

| <u>Fiscal Quarter Ending</u> | <u>Maximum Total Net Leverage Ratio</u> |
|--|---|
| June 30, 2022 | 6.00:1.00 |
| September 30, 2022 | 6.75:1.00 |
| December 31, 2022 | 6.00:1.00 |
| March 31, 2023 | 4.75:1.00 |
| June 30, 2023 | 5.75:1.00 |
| September 30, 2023 | 6.00:1.00 |
| December 31, 2023 | Not Tested |
| March 31, 2024 | Not Tested |
| June 30, 2024 | 4.50:1.00 |
| September 30, 2024 | 4.25:1.00 |
| December 31, 2024 | 3.75:1.00 |
| March 31, 2025 and each fiscal quarter ending thereafter | 3.00:1.00 |

(b) Section 6.5 of the Credit Agreement is hereby amended by deleting clause (e) thereof in its entirety and replacing it with the following:

(e) Minimum Liquidity. Not permit Liquidity (calculated as of each day, commencing with the Tenth Amendment Effective Date) to be less than the following (in each case for any period of more than three (3) consecutive Business Days): (i) for the period from the Tenth Amendment Effective Date through and including the date that is immediately prior to the Fourteenth Amendment Effective Date, \$15,000,000, (ii) for the period from the Fourteenth Amendment Effective Date through and including May 31, 2024, \$10,000,000, (iii) for the period from June 1, 2024 through and including June 16, 2024, \$12,500,000, (iv) for the period from June 17, 2024 through and including March 31, 2025, \$15,000,000, (v) for the period from April 1, 2025 through and including September 30, 2025, \$20,000,000, and (vi) from and after October 1, 2025, \$25,000,000; provided that, solely for purposes of determining compliance with this Section 6.5(e), the cash and Cash Equivalents described in clause (a) of the definition of “Qualified Cash” shall not be included in the calculation of Liquidity.

(c) Section 9.7 of the Credit Agreement is hereby amended by deleting such section in its entirety and replacing it with the following:

9.7. Annual Financial Statements. Furnish Agent within ninety (90) days after the end of each fiscal year, audited financial statements of Quantum and its Subsidiaries, on a consolidated basis and unaudited financial statements of Quantum and its Subsidiaries, on a consolidating basis (which shall consist of a balance sheet and statements of income, stockholders’ equity and cash flow), from the beginning of the current fiscal year to the end of such fiscal year and the balance sheet as at the end of such fiscal year, all prepared in accordance with GAAP in all material respects, and in reasonable detail and audited by independent certified public accountants reasonably acceptable to Agent (the “Accountants”) and, except (x) with respect to the audited financial statements for the fiscal year ended March 31, 2024 or (y) to the extent permitted by Section 1.1 hereof, certified without qualification; provided, that the foregoing is subject to the proviso set forth in Section 6.9 hereof. The reports described in this Section shall be accompanied by a Compliance Certificate.

4. Limitations to Waivers and Amendments to Credit Agreement: Additional Covenants

(a) Agent's and the Lenders' agreements under Sections 2 and 3 hereof to waive certain of their rights and remedies under the Credit Agreement, the Other Documents and otherwise and to amend certain of the provisions of the Credit Agreement shall be limited precisely as written and shall not be deemed to (i) be an amendment or a waiver of any other actual or potential Default or Event of Default or any other term or condition of the Credit Agreement or any Other Documents or to prejudice any right or remedy which such persons may now have or may have in the future under or in connection with the Credit Agreement, the Other Documents or otherwise (including without limitation with respect to the requirement to comply with GAAP under the Credit Agreement and the Other Documents) other than with respect to the Specified Waivers, (ii) be a consent to any amendment, waiver or modification of any other term or condition of the Credit Agreement or of any Other Documents, (iii) prejudice any right that Agent or the Lenders have or may have in the future under or in connection with the Credit Agreement or any Other Documents, (iv) create any obligation to forbear from taking any enforcement action, or to make any further extensions of credit except with respect to the Specified Waivers, (v) establish a custom or course of dealing among the Loan Parties, on the one hand, or Agent and/or any Lender, on the other hand, or (vi) be a consent to any future agreement or waiver.

(b) The Loan Parties agree to make substantial progress (as determined by the Agent in its sole discretion) by June 21, 2024 (or such later date as may be agreed by the Agent in its sole discretion) on certain business initiatives.

(c) The Loan Parties agree to make substantial progress (as determined by the Agent in its sole discretion) by June 28, 2024 (or such later date as may be agreed by the Agent in its sole discretion) on certain business initiatives.

(d) At any time Liquidity is below \$15,000,000 during any week, the Borrowers shall furnish to Agent (i) commencing on the first Wednesday after the Fourteenth Amendment Effective Date and for each week thereafter, a calculation of Liquidity as of the last day of the preceding week in form and substance reasonably satisfactory to Agent and (ii) commencing on the third Wednesday after the Fourteenth Amendment Effective Date and every two weeks thereafter, an updated rolling 13-Week Cash Flow (as defined below) as of the last day of the preceding two-week period in form and substance reasonably satisfactory to Agent, which shall include a comparison against Liquidity and actual cash flows for any period contained in any prior 13-Week Cash Flow.

Failure to satisfy any of the foregoing items in Sections 4(b) through 4(d) above shall constitute an immediate Event of Default.

5. Conditions Precedent. The effectiveness of this Amendment is expressly conditioned upon the satisfaction of each of the following conditions precedent:

(a) Agent shall have received this Amendment, duly authorized, executed and delivered by each Loan Party and the Required Lenders;

(b) as of the Fourteenth Amendment Effective Date, immediately after giving effect to this Amendment, the Specified Waivers and the Term Loan Amendment (as defined below), no Default or Event of Default shall have occurred and be continuing;

(c) as of the Fourteenth Amendment Effective Date, immediately after giving effect to this Amendment, the Specified Waivers and the Term Loan Amendment, the representations and warranties set forth in Section 6 hereof shall be true and correct in all material respects (without duplication of any materiality qualifier);

(d) the Agent shall have received, in form and substance satisfactory to Agent, a cash flow forecast of Quantum and its Subsidiaries created in consultation with Quantum's advisors for the period beginning May 17, 2024 (the "13-Week Cash Flow");

(e) Agent shall have received, in form and substance reasonably satisfactory to Agent, a waiver and amendment under the Term Loan Agreement (the "Term Loan Amendment"), duly authorized, executed and delivered by the Borrowers, the Guarantors, the Term Loan Agent and the Term Loan Lenders; and

(f) the Loan Parties shall have paid (or shall pay on the Fourteenth Amendment Effective Date): (i) the Fourteenth Amendment Fee (as hereinafter defined) and (ii) all costs, expenses and fees owed to Agent and the Lenders in connection with the preparation, execution and delivery of this Amendment to the extent invoiced prior to the Fourteenth Amendment Effective Date.

Agent shall notify the Borrowers in writing of the effectiveness of this Amendment, which notice shall be conclusive and binding on all parties to the Credit Agreement. For the avoidance of doubt, it is understood and agreed that such written notification shall not be a condition to the effectiveness of this Amendment or the occurrence of the Waiver Effective Date or the Fourteenth Amendment Effective Date.

6. Representations and Warranties. In addition to the continuing representations and warranties heretofore or hereafter made by the Loan Parties to Agent and Lenders pursuant to the Credit Agreement and the Other Documents, each Loan Party hereby represents and warrants to Agent and each Lender as follows:

(a) each Loan Party has full power, authority and legal right to enter into this Amendment and to perform all its respective Obligations hereunder;

(b) this Amendment has been duly executed and delivered by each Loan Party;

(c) this Amendment constitutes the legal, valid and binding obligation of each Loan Party enforceable in accordance with its terms, except as such enforceability may be limited by any applicable bankruptcy, insolvency, moratorium or similar Laws affecting creditors' rights generally;

(d) the execution, delivery and performance of this Amendment (i) are within each Loan Party's corporate or limited liability company powers, as applicable, (ii) have been duly authorized by all necessary corporate or limited liability company action, as applicable, (iii) are not in contravention of law or the terms of such Loan Party's Organizational Documents or to the conduct of such Loan Party's business or any Material Contract or undertaking to which such Loan Party is a party or by which such Loan Party is bound, including without limitation the Term Loan Documents, (iv) will not conflict with or violate any material provisions of any law or regulation, or any judgment, order or decree of any Governmental Body, (v) will not require the Consent of any Governmental Body, any party to a Material Contract or any other Person, except (x) any Consents of any party to a Material Contract or any other Person (other than a Governmental Body) with respect to which the failure to obtain could not reasonably be expected, individually or in the aggregate to have a Material Adverse Effect, (y) any immaterial Consents of any Governmental Body, or (z) those Consents set forth on Schedule 5.1 to the Credit Agreement, all of

which will have been duly obtained, made or complied with prior to the Fourteenth Amendment Effective Date and which are in full force and effect on the Fourteenth Amendment Effective Date, and (vi) will not conflict with, nor result in any breach in any of the provisions of or constitute a default under or result in the creation of any Lien except Permitted Encumbrances upon any asset of such Loan Party under the provisions of any material agreement, instrument, or other document to which such Loan Party is a party or by which it or its property is a party or by which it may be bound, including without limitation any of the Term Loan Documents;

(e) each Loan Party is duly formed or incorporated, as applicable, and in good standing under the laws of the state of its incorporation or formation, as applicable, and is good standing in such state and is qualified to do business in any state where the failure to be so qualified could reasonably be expected to result in a Material Adverse Effect;

(f) each of the representations and warranties made by any Loan Party in the Credit Agreement and the Other Documents, after giving effect to this Amendment and the Term Loan Amendment, are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that are qualified or modified by materiality in the text thereof) as if made on the Fourteenth Amendment Effective Date and after giving effect to this Amendment and the Term Loan Amendment and the transactions contemplated hereby and thereby, except to the extent that any such representation or warranty is made as of an earlier and/or specified date, in which case such representation or warranty shall have been true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that are qualified or modified by materiality in the text thereof) as of such earlier or specified date; and

(g) on the Fourteenth Amendment Effective Date, after giving effect to this Amendment, the Specified Waivers and all necessary waivers and amendments granted pursuant to the Term Loan Amendment, no Default or Event of Default exists or has occurred and is continuing.

7. Reservation of Rights and Retesting of Covenants. The Loan Parties each acknowledge and confirm that, after Quantum and its Subsidiaries finalize (and, if needed, update) all their financial statements that are updated, restated or otherwise amended in accordance with the fiscal reporting period ended March 31, 2024 (“FY2024”) (and with respect to Section 9.9 (Monthly Financial Statements) of the Credit Agreement, the monthly financial statements for the fiscal months ended April 30, 2024 and May 31, 2024, respectively) and submitted or filed with the SEC or otherwise in accordance with relevant applicable law for each applicable period, Agent and Lenders reserve all rights to (1) review and confirm all financial reporting under the Credit Agreement that is subject of this Amendment to be in conformance with GAAP in all material respects and in compliance with the applicable requirements of the Credit Agreement for FY2024 and the fiscal months ended April 30, 2024 and May 31, 2024, respectively and (2) retest all financial covenants under the Credit Agreement (as amended hereby) with respect to FY2024 (and with respect to Section 9.9 (Monthly Financial Statements) of the Credit Agreement, the monthly financial statements for the fiscal months ended April 30, 2024 and May 31, 2024, respectively and as applicable). Notwithstanding anything to the contrary, except with respect to the Specified Financial Covenant for the Specified Period or as otherwise expressly amended pursuant hereto: (x) any breach, Default or Event of Default that occurs upon any of the foregoing review or testing of the waived financial reporting or financial covenants shall be deemed to have occurred when the testing was originally required (or financial reporting required to be delivered) under the Credit Agreement and Other Documents (in each case, as amended hereby) and (y) none of the financial covenant testing in Section 6.5 of the Credit Agreement (as amended hereby) or elsewhere in the Credit Agreement or Other Documents (in each case, as amended hereby) shall be amended or adjusted by this Amendment or by any updates, amendments or adjustments to the company’s financial reporting in connection with this Amendment.

8. Delivery of Financial Model; Subsequent Amendment to Credit Agreement Notwithstanding anything to the contrary set forth in the Credit Agreement or any of the Other Documents: (x) on or before June 21, 2024 (or such later date as Agent may agree in its sole discretion), Borrowers shall deliver to Agent, in a form and level of detail substantially consistent with the financial models previously delivered to the Agent in connection with the Credit Agreement (or otherwise in a form and level of detail reasonably satisfactory to Agent), an updated financial model, and (y) on or before July 8, 2024 (or such later date as Agent may agree in its sole discretion), the Loan Parties, Agent and Lenders shall enter into an amendment to the Credit Agreement, in form and substance reasonably satisfactory to Agent and Lenders, providing for such modifications to the Credit Agreement as Agent shall require and as the Borrowers shall agree. The Loan Parties hereby acknowledge and agree that if the Loan Parties fail to comply with the covenants set forth in this Section 8, such failure shall constitute an additional and immediate Event of Default under Section 10.5(a) of the Credit Agreement and that Agent and the Lenders shall be entitled to exercise all of their rights and remedies under the Credit Agreement and the Other Documents in connection therewith (including, without limitation, the right to increase the Revolving Interest Rate to the Default Rate retroactive to December 31, 2023).

9. Amendment Fee. In consideration of the agreements set forth herein, Borrowers hereby agree to pay to Agent, for the benefit of the Lenders, an amendment fee in the amount of \$400,000 (the "Fourteenth Amendment Fee"), which fee shall be fully earned, due and payable on and as of (and subject to the occurrence of) the Fourteenth Amendment Effective Date. Borrowers hereby agree that Agent may, in its sole discretion, charge Borrowers' Account with the amount of the Fourteenth Amendment Fee in satisfaction thereof.

10. Costs and Expenses. Each Loan Party, jointly and severally, agrees to pay on demand all costs and expenses of Agent and the Lenders incurred in connection with the preparation, negotiation, execution and delivery of this Amendment and the other agreements, instruments and documents to be delivered hereunder (including, without limitation, the reasonable fees, disbursements and other charges of counsel to each of Agent and the Lenders with respect thereto) in accordance with the Credit Agreement.

11. Reaffirmation.

(a) Each Loan Party hereby ratifies and reaffirms (i) all of its payment and performance obligations, contingent or otherwise, under the Credit Agreement and each of the Other Documents to which it is a party, and (ii) its grant to Agent of a security interest in the Collateral under the Credit Agreement and each of the Other Documents to which it is a party.

(b) Square Box hereby confirms for the benefit of the Secured Parties that all obligations owed by it pursuant to Article XVII of the Credit Agreement shall remain in full force and effect notwithstanding the waivers and modifications referred to in this Amendment.

12. Acknowledgments. To induce Agent and Lenders to enter into this Amendment, each Loan Party acknowledges that:

(a) as of the Fourteenth Amendment Effective Date, (i) Agent and Lenders have performed without default all obligations required of Agent and Lenders under the Credit Agreement and each of the Other Documents; and (ii) there are no disputes with or claims against Agent or Lenders, or any knowledge of any facts giving rise to any disputes or claims, related to the Credit Agreement or any of the Other Documents, including, without limitation, any disputes or claims or knowledge of facts giving rise thereto, that involve a breach or violation on the part of Agent or any Lender of the terms and conditions of the Credit Agreement or any of the Other Documents; and

(b) no Loan Party has any valid defense to the enforcement of its respective obligations set forth in the Credit Agreement, the Other Documents or this Amendment, as applicable, by reason of any circumstance, action, cause or thing whatsoever which arises at any time on or prior to Fourteenth Amendment Effective Date.

13. Release of Claims. In consideration of the Lenders' and Agent's agreements contained in this Amendment, each Loan Party hereby irrevocably releases and forever discharges the Lenders and Agent and their respective successors, permitted assigns, and each of their respective officers, directors, Affiliates, attorneys, employees and agents (each, a "Released Person") of and from any and all claims, suits, actions, investigations, proceedings or demands, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law of any kind or character, known or unknown, which such Loan Party ever had or now has against Agent, any Lender or any other Released Person which relates, directly or indirectly, to any acts or omissions of Agent, any Lender or any other Released Person relating to the Credit Agreement or Other Document prior to the Fourteenth Amendment Effective Date.

14. Governing Law. This Amendment and all matters relating hereto or arising herefrom (whether arising under contract law, tort law or otherwise) shall, in accordance with Section 5-1401 of the General Obligations Law of the State of New York, be governed by and construed in accordance with the Laws of the State of New York.

15. Reference to Credit Agreement. Each of the Credit Agreement and the Other Documents, and any and all other agreements, documents or instruments nor or hereafter executed and/or delivered pursuant to the terms hereof or pursuant to the terms of the Credit Agreement as modified hereby, are hereby amended so that any reference therein to the Credit Agreement, whether direct or indirect, shall mean a reference to the Credit Agreement as modified hereby. This Amendment shall constitute an Other Document under the Credit Agreement.

16. Effect of this Amendment. Except as expressly amended or waived pursuant hereto, no other changes, waivers or modifications to the Credit Agreement or any of the Other Documents are intended or implied, and in all other respects, the Credit Agreement and each of the Other Documents is hereby specifically ratified, restated and confirmed by all parties hereto as of the Fourteenth Amendment Effective Date. To the extent that any provision of the Credit Agreement or any of the Other Documents are inconsistent with the provisions of this Amendment, the provisions of this Amendment shall control.

17. Binding Effect. This Amendment shall be binding upon and inure to the benefit of each party hereto and their respective successors and permitted assigns.

18. Further Assurances. The Loan Parties shall execute and deliver such further documents and do such further acts and things as may be reasonably requested by Agent to effectuate the provisions and purposes of this Amendment.

19. Counterparts: Electronic Signature. This Amendment may be executed in any number of separate counterparts, all of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same agreement. Any signature delivered by a party by facsimile or electronic transmission (including email transmission of a .pdf image) shall be deemed to be an original signature hereto and shall be as effective as delivery of a manually executed counterpart hereof. The words "execution," "execute", "signed," "signature," and words of like import in or related to this Amendment or any document to be signed in connection with this Amendment shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or

enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

20. Entire Understanding. This Amendment and the documents executed concurrently herewith contain the entire understanding between each Loan Party, Agent and each Lender and supersede all prior agreements and understandings, if any, relating to the subject matter hereof.

21. Severability. If any part of this Amendment is contrary to, prohibited by, or deemed invalid under Applicable Laws, such provision shall be inapplicable and deemed omitted to the extent so contrary, prohibited or invalid, but the remainder hereof shall not be invalidated thereby and shall be given effect so far as possible.

22. Captions. The captions at various places in this Amendment are intended for convenience only and do not constitute and shall not be interpreted as part of this Amendment.

23. Jury Waiver. EACH PARTY TO THIS AMENDMENT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, COUNTERCLAIM, DEMAND, ACTION OR CAUSE OF ACTION (A) ARISING UNDER THIS AMENDMENT, ANY OTHER DOCUMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH, OR (B) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO THIS AMENDMENT, ANY OTHER DOCUMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH, OR THE TRANSACTIONS RELATED HERETO OR THERETO IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE AND EACH PARTY HEREBY CONSENTS THAT ANY SUCH CLAIM, COUNTERCLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS AMENDMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENTS OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have entered into this Amendment as of the date first above written.

BORROWERS:

QUANTUM CORPORATION

By: /s/ Lewis Moorehead
Name: Lewis Moorehead
Title: Vice President of Finance and Treasurer

QUANTUM LTO HOLDINGS, LLC

By: /s/ Lewis Moorehead
Name: Lewis Moorehead
Title: Vice President of Finance and Treasurer

GUARANTORS:

SQUARE BOX SYSTEMS LIMITED

By: /s/ Lewis Moorehead
Name: Lewis Moorehead
Title: Director

AGENT AND LENDERS:

PNC BANK, NATIONAL ASSOCIATION,
as Agent and Lender

By: /s/ Jeffrey Kessler
Name: Jeffrey Kessler
Title: Senior Vice President

[Fourteenth Amentment and Waiver to Amended and Restated Revolving Credit and Security Agreement]