

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): December 14, 2017

Quantum Corporation

(Exact name of registrant as specified in its charter)

Delaware

1-13449

94-2665054

(State or other jurisdiction of incorporation)

(Commission File No.)

(IRS Employer Identification No.)

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

95110
(Zip Code)

(408) 944-4000

(Registrant's telephone number, including area code)

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 (see General Instruction A.2. below):

- 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))

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

On February 14, 2018, Quantum Corporation (the “Company”) entered into a Third Amendment to Term Loan Credit and Security Agreement (the “Term Loan Amendment”), amending the Term Loan Credit and Security Agreement, dated October 21, 2016, among the Company, TCW Asset Management Company LLC, as agent, and the lender parties thereto (the “Term Loan Credit Agreement”). The Term Loan Amendment amends, among other things, (i) the definition of “Applicable Margin” to change the interest rate margin and to add payment-in-kind interest equal to 2.00% per annum, (ii) the definition of “EBITDA” by modifying certain addbacks for transaction costs, cash restructuring charges, and cost savings, (iii) the financial covenants and related definitions, and (iv) certain reporting requirements.

On February 14, 2018, the Company also entered into a Third Amendment to Revolving Credit and Security Agreement (the “Revolving Loan Amendment”), amending that certain Revolving Loan Credit and Security Agreement (as amended prior to the date hereof, the “Revolving Loan Agreement”), dated October 21, 2016, by and among the Company, PNC Bank, National Association, as agent, and the lender parties thereto. The Revolving Loan Amendment amends, among other things, (i) the definition of “Applicable Margin” to raise the interest rate margin to 4.00% for revolving advances consisting of base rate loans and swingline loans and to 5.00% for revolving advances consisting of LIBOR rate loans, (ii) the definition of “EBITDA” by modifying certain addbacks for transaction costs, cash restructuring charges, and cost savings, (iii) the financial covenants and related definitions, and (iv) certain reporting requirements.

The foregoing description of the Term Loan Amendment and Revolving Loan Amendment does not purport to be complete and is qualified in its entirety by reference to the full text of the Term Loan Amendment and Revolving Loan Amendment, which are filed as Exhibits 10.1 and 10.2 hereto, respectively, and the Term Loan Agreement and Revolving Loan Agreement, which were previously filed with the Securities and Exchange Commission, each of which is incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities

In connection with the Term Loan Agreement, on December 14, 2017, the Company entered into a Warrant to Purchase Stock with TCW Direct Lending, LLC (“TCW Direct”) evidencing TCW Direct’s right to purchase shares of the Company’s common stock at an exercise price of \$0.01 per share (the “TCW Direct Warrant”), a Warrant to Purchase Stock with West Virginia Direct Lending LLC (“West Virginia Direct”) evidencing West Virginia Direct’s right to purchase shares of the Company’s common stock at an exercise price of \$0.01 per share (the “West Virginia Warrant”) and a Warrant to Purchase Stock with TCW Skyline Lending, L.P. (“TCW Skyline”) evidencing TCW Skyline’s right to purchase shares of the Company’s common stock at an exercise price of \$0.01 per share (the “TCW Skyline Warrant” and, collectively with the TCW Direct Warrant and the West Virginia Warrant, the “December Warrants”).

The TCW Direct Warrant, the West Virginia Warrant and the TCW Skyline Warrant were immediately exercisable for 162,077, 18,103 and 17,820 shares of the Company’s common stock, respectively. In addition, the December Warrants were exercisable for an additional 108,051, 12,069 and 11,880 shares of the Company’s common stock, respectively (the “Additional Shares”) on the occurrence of the conditions outlined in the December Warrants.

The exercise price and the number and type of shares underlying the December Warrants are subject to adjustment in the event of specified events, including a reclassification of the Company’s common stock, a subdivision or combination of the Company’s common stock or specified dividend payments. The December Warrants are exercisable until December 14, 2022. 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 Company’s common stock at the time of exercise.

The issuance of the December 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, as amended (the “Securities Act”), and Regulation D under the Securities Act. The December Warrants, and any shares of common stock issuable thereunder, were not 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 or an applicable exemption from the registration requirements.

The foregoing description of the December Warrants is qualified in its entirety by reference to the December Warrants, which are filed as Exhibits 10.3, 10.4 and 10.5 hereto and are incorporated by reference herein.

On February 14, 2018, the Company entered into amendments (the “Warrant Amendments”) with TCW Direct, West Virginia Direct and TCW Skyline (the “Holders”) of the December Warrants. Pursuant to the Warrant Amendments, the December Warrants became immediately exercisable for the Additional Shares.

The foregoing summary of the Warrant Amendments is subject to, and qualified in its entirety by reference to, the Warrant Amendments, which are filed as Exhibits 10.6, 10.7 and 10.8 hereto and are incorporated by reference herein.

In connection with the Term Loan Amendment, on February 14, 2018, the Company entered into a Warrant to Purchase Stock with TCW Direct evidencing TCW Direct's right to purchase shares of the Company's common stock at an exercise price of \$0.01 per share (the "February TCW Direct Warrant"), a Warrant to Purchase Stock with West Virginia Direct evidencing West Virginia Direct's right to purchase shares of the Company's common stock at an exercise price of \$0.01 per share (the "February West Virginia Warrant") and a Warrant to Purchase Stock with TCW Skyline evidencing TCW Skyline's right to purchase shares of the Company's common stock at an exercise price of \$0.01 per share (the "February TCW Skyline Warrant" and, collectively with the TCW Direct Warrant and the West Virginia Warrant, the "February Warrants").

The February TCW Direct Warrant, the February West Virginia Warrant and the February TCW Skyline Warrant are immediately exercisable for 61,393, 6,857 and 6,750 shares of the Company's common stock, respectively. In addition, if, and only if, either (A) an Event of Default occurs under the Term Loan Credit Agreement following the Third Amendment Effective Date (as defined in the Term Loan Amendment) or (B) as of March 30, 2019, unless the Company (x) has received by such date at least \$25,000,000 in Net Cash Proceeds (as defined in the Term Loan Agreement) from the issuance of Qualified Equity Interests (as defined in the Term Loan Credit Agreement) during the period from and after the Third Amendment Effective Date and (y) the financial statements delivered under Section 9.8 of the Term Loan Credit Agreement with respect to the fiscal quarter ending March 31, 2019 demonstrate that the Company and its Subsidiaries, on a consolidated basis, are in compliance with each of the financial covenants set forth in Section 6.5 of the Term Loan Credit Agreement (as in effect immediately prior to the Third Amendment Effective Date) for the four (4) fiscal quarter period then ended; provided that for purposes of determining compliance with the financial covenants set forth in Section 6.5 of the Term Loan Credit Agreement (as in effect immediately prior to the Third Amendment Effective Date) for purposes of this clause (y), EBITDA shall be calculated using the respective defined term in the Term Loan Credit Agreement, but without giving effect to clause (c)(xviii) of the definition of EBITDA set forth in the Term Loan Credit Agreement (the "Additional Vesting Event"), then from the date of the Additional Vesting Event through the Expiration Date, such February Warrant will be exercisable for an additional 61,393, 16,857 and 6,750 shares of the Company's common stock, respectively.

The exercise price and the number and type of shares underlying the February Warrants are subject to adjustment in the event of specified events, including a reclassification of the Company's common stock, a subdivision or combination of the Company's common stock or specified dividend payments. The February Warrants are exercisable until February 14, 2023. 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 Company's common stock at the time of exercise.

The issuance of the February 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, as amended (the "Securities Act"), and Regulation D under the Securities Act. The February Warrants, and any shares of common stock issuable thereunder, were not 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 or an applicable exemption from the registration requirements.

The foregoing description of the February Warrants is qualified in its entirety by reference to the February Warrants, which are filed as Exhibits 10.9, 10.10 and 10.11 hereto and incorporated by reference herein.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

Exhibit Number	Description
10.1	<u>Third Amendment to Revolving Credit and Security Agreement, dated as of February 14, 2018, between the Company and PNC Bank, National Association, as Agent</u>
10.2	<u>Third Amendment to Term Loan Credit and Security Agreement, dated February 14, 2018, between the Company and TCW Asset Management Company LLC, as Agent</u>
10.3	<u>Warrant to Purchase Stock, dated December 14, 2017, between the Company and TCW Direct Lending, LLC</u>
10.4	<u>Warrant to Purchase Stock, dated December 14, 2017, between the Company and West Virginia Direct Lending LLC</u>
10.5	<u>Warrant to Purchase Stock, dated December 14, 2017, between the Company and TCW Skyline Lending, L.P.</u>
10.6	<u>Amendment No. 1 to Warrant to Purchase Stock, dated December 14, 2017, between the Company and TCW Direct Lending, LLC</u>
10.7	<u>Amendment No. 1 to Warrant to Purchase Stock, dated December 14, 2017, between the Company and West Virginia Direct Lending LLC</u>
10.8	<u>Amendment No. 1 to Warrant to Purchase Stock, dated December 14, 2017, between the Company and TCW Skyline Lending, L.P.</u>
10.9	<u>Warrant to Purchase Stock, dated February 14, 2018, between the Company and TCW Direct Lending, LLC</u>
10.10	<u>Warrant to Purchase Stock, dated February 14, 2018, between the Company and West Virginia Direct Lending LLC</u>
10.11	<u>Warrant to Purchase Stock, dated February 14, 2018, between the Company and TCW Skyline Lending, L.P.</u>

SIGNATURES

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

Date: February 20, 2018

QUANTUM CORPORATION
(Registrant)

By: /s/ Shawn D. Hall
Name: Shawn D. Hall
Title: Senior Vice President, General Counsel and Secretary

EXHIBIT INDEX

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THIRD AMENDMENT to REVOLVING CREDIT AND SECURITY AGREEMENT

THIS THIRD AMENDMENT TO REVOLVING CREDIT AND SECURITY AGREEMENT (this “Amendment”), with an effective date of February 14, 2018, is entered into by and among QUANTUM CORPORATION, a Delaware corporation (“Quantum” and together with each Person joined to the Credit Agreement as a borrower from time to time, collectively, the “Borrowers” and each a “Borrower”), 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 (“PNC”), in its capacity as agent for the Lenders (in such capacity, together with its successors and assigns, “Agent”).

RECITALS

A. Agent, the Lenders and the Borrowers are parties to that certain Revolving Credit and Security Agreement, dated as of October 21, 2016, as amended by the First Amendment to Revolving Credit and Security Agreement, dated as of April 19, 2017, and the Second Amendment to Revolving Credit and Security Agreement, dated as of November 6, 2017 (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 requested that Agent and the Lenders make certain amendments to the Credit Agreement as set forth herein, and Agent and the Lenders have agreed to make such amendments, 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:

“Audit Committee” shall mean the audit committee of Quantum.

“Independent Investigation” shall mean the independent investigation, assisted by independent advisors, initiated by the Audit Committee in connection with the SEC Inquiry.

“SEC Inquiry” shall mean that certain inquiry initiated by the Securities and Exchange Commission on or around January 11, 2018 regarding Quantum’s accounting practices and internal controls related to revenue recognition for transactions commencing April 1, 2016.

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

“Third Amendment Effective Date” shall mean February 14, 2018.

(c) Amendments to Definitions.

(i) Applicable Margin. The definition of “Applicable Margin” in Section 1.2 of the Credit Agreement is hereby amended by deleting such definition in its entirety and replacing it with the following:

“ ‘Applicable Margin’ shall mean (a) an amount equal to four percent (4.00%) for (i) Revolving Advances consisting of Domestic Rate Loans and (ii) Swing Loans, and (b) an amount equal to five percent (5.00%) for Revolving Advances consisting of LIBOR Rate Loans.”

(ii) EBITDA.

(A) The definition of “EBITDA” in Section 1.2 of the Credit Agreement is hereby amended by deleting clause (c)(i) of such definition in its entirety and replacing it with the following:

“(i) (x) extraordinary, unusual or non-recurring non-cash costs, non-cash expenses and non-cash losses, and (y) extraordinary, unusual or non-recurring cash costs, cash expenses and cash losses in an aggregate amount not to exceed \$3,000,000 in any fiscal year (commencing with the fiscal year ending March 31, 2019),”.

(B) The definition of “EBITDA” in Section 1.2 of the Credit Agreement is hereby further amended by deleting clause (c)(xi) of such definition in its entirety and replacing it with the following:

“(xi) reasonable fees, costs and expenses incurred prior to the Maturity Date in connection with cash restructuring charges up to (A) for such restructuring charges incurred prior to October 31, 2017, the amount of such restructuring charges actually incurred, and (B) for such restructuring charges incurred after October 31, 2017, an aggregate amount not to exceed \$15,000,000 during the Term, in each case, to the extent (1) the realization of the savings to Quantum and its Subsidiaries directly arising from such restructuring charges are reasonably expected by Borrowers to commence within 12 months of any such restructuring charge and (2) Agent has received evidence, in form and substance reasonably satisfactory to Agent, supporting such expectations,”.

(C) The definition of “EBITDA” in Section 1.2 of the Credit Agreement is hereby further amended by (x) deleting “and” appearing at the end of clause (c)(xvi) of such definition and (y) inserting the following immediately prior to the period at the end of such clause:

“, (xviii) without duplication of any other add-back herein, cost savings and expense reductions factually supportable and projected by Borrowers in good faith to be realized as a result of specified actions taken in the fiscal quarters ending September 30, 2017, December 31, 2017 and March 31, 2018, in each case, calculated on a pro forma basis as though such cost savings and expense reductions had been realized on the first day of each applicable fiscal quarter; provided, that in any four (4) quarter period containing any such fiscal quarter, the aggregate amount of all cost savings and expense reductions added back pursuant to this clause (xviii) shall not exceed (x) \$9,800,000 with respect to the fiscal quarter ending September 30, 2017, (y) \$8,100,000 with respect to the fiscal quarter ending December 31, 2017 and (z) \$3,100,000 with respect to the fiscal quarter ending March 31, 2018, and

(xix) without duplication of any other add-back herein, amounts paid by Borrowers to Term Loan Agent to reimburse Term Loan Agent for costs, fees and expenses incurred in connection with Term Loan Agent's engagement of an independent financial advisor pursuant to Section 4.7(b) of the Term Loan Agreement in an aggregate amount not to exceed \$250,000 during the Term, minus

(d) the amount (if any) by which the aggregate “Total Controlled Spend” (as such term is used in the income statements of Quantum and its Subsidiaries) for any fiscal quarter exceeds \$51,800,000.”

(iii) Fee Letter. The definition of “Fee Letter” in Section 1.2 of the Credit Agreement is hereby amended by deleting such definition in its entirety and replacing it with the following:

“Fee Letter” shall mean the Amended and Restated Fee Letter, dated as of the Third Amendment Effective Date between Quantum and Agent.”

(iv) Fixed Charges. The definition of “Fixed Charges” in Section 1.2 of the Credit Agreement is hereby amended by deleting such definition in its entirety and replacing it with the following:

“Fixed Charges” shall mean, with respect to any Person for any fiscal period, the sum of the following, without duplication (in each case determined in accordance with GAAP): (a) all Debt Payments made by such Person during such period, plus (b) all federal, state, and local income taxes paid in cash during such period (other than the German Tax Obligations in an amount not to exceed the Dollar Equivalent of €1,313,582.12 during the Term), plus (c) all Restricted Payments paid (whether in cash or other property, other than common Equity Interests) during such period; plus (d) all rent paid in cash during such period for restructured facilities; provided that, notwithstanding the foregoing, “Fixed Charges” shall not include (x) any prepayments or repayments of the Convertible Subordinated Debt made in accordance with Section 7.18 hereof during such period and (y) the amount of the Incremental Delayed Draw Term Loan repaid on June 30, 2020 in accordance with Section 2.1(b)(ii) of the Term Loan Agreement during such period. Notwithstanding the foregoing, for purposes of calculating the Fixed Charge Coverage Ratio of Quantum and its Subsidiaries for any fiscal period ending on December 31, 2017, March 31, 2018, June 30, 2018 and September 30, 2018, the Fixed Charges of Quantum and its Subsidiaries for the fiscal quarter ending on December 31, 2017 shall be deemed to be \$3,078,104.00.”

(v) Minimum PNC Qualified Cash Amount. The definition of “Minimum PNC Qualified Cash Amount” in Section 1.2 of the Credit Agreement is hereby amended by deleting such definition in its entirety and replacing it with the following:

“Minimum PNC Qualified Cash Amount’ shall mean: (a) for the period from the Third Amendment Effective Date through and including March 31, 2019, \$5,000,000, (b) for the period from April 1, 2019 through and including June 30, 2019, \$7,500,000, (c) for the period from July 1, 2019 through and including September 30, 2019, \$10,000,000, and (d) from and after October 1, 2019, \$12,000,000.”

(vi) Specified Reporting Triggering Event. The definition of “Specified Reporting Triggering Event” in Section 1.2 of the Credit Agreement is hereby amended by deleting such definition in its entirety and replacing it with the following:

“Specified Reporting Triggering Amount’ shall mean \$8,000,000 (or such lesser amount as Agent shall determine in its Permitted Discretion).”

2. Manner and Repayment of Advances. Section 2.8(b) of the Credit Agreement is hereby amended by deleting the fifth sentence of such Section in its entirety and replacing it with the following:

“The Loan Parties further agree that from and after the Third Amendment Effective Date, there is a monthly float charge payable to Agent for Agent’s sole benefit, in an amount equal to (y) the face amount of all items of payment received during the prior month (including items of payment received by Agent as a wire transfer or electronic depository check) multiplied by (z) the Revolving Interest Rate with respect to Domestic Rate Loans for one (1) Business Day.”

3. Mandatory Prepayments. Section 2.20 of the Credit Agreement is hereby amended by inserting the following subsection (e) at the end of such Section:

“(e) On the Third Amendment Effective Date, Borrowers shall use \$7,000,000 of PNC Qualified Cash to make a mandatory prepayment of the Advances. Such prepayment shall be applied to the Advances (including cash collateralization of all Obligations relating to any outstanding Letters of Credit in accordance with the provisions of Section 3.2(b); provided however that such prepayments shall be applied to cash collateralize any Obligations related to outstanding Letters of Credit last) in such order as Agent may determine, subject to Borrowers’ ability to re-borrow Advances in accordance with the terms hereof.”

4. Inspection of Premises. Section 4.6 of the Credit Agreement is hereby amended by deleting the third sentence of such Section in its entirety and replacing it with the following:

“Notwithstanding the foregoing, (a) no more than two (2) such inspections shall be conducted at the expense of the Borrowers during any consecutive twelve (12) month period, and (b) if an Event of Default shall exist, then notwithstanding anything to the contrary in the foregoing clause (a), there shall be no limitation on the number or frequency of such inspections which may be conducted at the expense of the Borrowers.”

5. Appraisals. Section 4.7 of the Credit Agreement is hereby amended by deleting the fifth sentence of such Section in its entirety and replacing it with the following:

“Notwithstanding the foregoing, (i) no more than two (2) appraisals of Inventory and no more than two (2) appraisals of Intellectual Property (which may include, without limitation, an appraisal of the LTO Program) shall be conducted at the expense of the Borrowers during any consecutive twelve (12) month period, and (ii) if an Event of Default shall exist, then notwithstanding anything to the contrary in the foregoing clause (i), there shall be no limitation on the number or frequency of appraisals which may be conducted at the expense of the Borrowers.”

6. Collection of Receivables.

(a) Section 4.8(d) of the Credit Agreement is hereby amended by deleting the last sentence of such Section in its entirety and replacing it with the following:

“All payments made by a Loan Party’s Customers remitted directly to Agent will be deposited by Agent in the Blocked Accounts, and from and after the Third Amendment Effective Date, all Customer remittances shall be treated as a repayment of Advances.”

(b) Section 4.8(h) of the Credit Agreement is hereby amended by deleting such Section in its entirety and replacing it with the following:

“(h) All proceeds of Collateral shall be deposited by the Loan Parties into either (i) a lockbox account, dominion account or such other “blocked account” (each a “Blocked Account” and collectively the “Blocked Accounts”) established at a Specified Domestic Blocked Account Bank, Specified Swiss Blocked Account Bank or such other bank or banks as may be acceptable to Agent in its Permitted Discretion (each such bank, a “Blocked Account Bank” and collectively, “Blocked Account Banks”) pursuant to an arrangement with such Blocked Account Bank as may be acceptable to Agent in its Permitted Discretion or (ii) depository accounts (“Depository Accounts”) established at Agent for the deposit of such proceeds. Each applicable Loan Party shall deliver or cause to be delivered to Agent a Control Agreement, in form and substance reasonably satisfactory to Agent, among such Loan Party, Agent, Term Loan Agent and each bank at which each Blocked Account, each Depository Account and any other deposit account (other than any Swiss Blocked Account or any Excluded Account) of such Loan Party is maintained that is sufficient to give Agent “control” (for purposes of Articles 8 and 9 of the Uniform Commercial Code) over such Blocked Accounts, Depository Accounts and other deposit accounts. From and after the Third Amendment Effective Date, Agent shall have the sole and exclusive right to direct, and is hereby authorized to give instructions pursuant to such Control Agreements directing, the disposition of funds in the Blocked Accounts and Depository Accounts to each Blocked Account Bank on a daily basis, either to a deposit account maintained by Agent at PNC or by wire transfer to a deposit account at PNC, which such funds may be applied by Agent to repay the Obligations, and, if an Event of Default has occurred and is continuing, to cash collateralize outstanding Letters of Credit in accordance with Section 3.2(b) hereof. All funds deposited in the Blocked Accounts or Depository Accounts shall immediately become subject to the security interest of Agent, for its own benefit and the ratable benefit of the other Secured Parties, and Borrowing Agent shall use commercially reasonable efforts to obtain the agreement by each Blocked Account Bank to waive any offset rights against the funds so

deposited. Neither Agent nor any Lender assumes any responsibility for such blocked account arrangements, including any claim of accord and satisfaction or release with respect to deposits accepted by any Blocked Account Bank thereunder. Agent shall apply all funds received by it from the Blocked Accounts and/or Depository Accounts to the satisfaction of the Obligations (including the cash collateralization of all Obligations relating to any outstanding Letters of Credit in accordance with the provisions of Section 3.2(b) hereof) in such order as Agent shall determine in its sole discretion, subject to Borrowers' ability to re-borrow Revolving Advances in accordance with the terms hereof; provided that, in the absence of any Event of Default, Agent shall apply all such funds representing collection of Receivables first to the prepayment of the principal amount of the Swing Loans, if any, and then to the Revolving Advances."

7. Financial Covenants. Section 6.5 of the Credit Agreement is hereby amended by deleting such Section in its entirety and replacing it with the following:

"6.5 Financial Covenants.

(a) Fixed Charge Coverage Ratio. Maintain as of the end of each fiscal quarter, a Fixed Charge Coverage Ratio for Quantum and its Subsidiaries, on a consolidated basis, of not less than the ratio set forth below for each four (4) consecutive fiscal quarter period then ended set forth below:

<u>Fiscal Quarter Ending</u>	<u>Minimum Fixed Charge Coverage Ratio</u>
December 31, 2017	1.25 to 1.00
March 31, 2018 and each fiscal quarter ending thereafter	1.00 to 1.00

(b) Senior Net Leverage Ratio. Maintain as of the end of each fiscal quarter, a Senior 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:

<u>Fiscal Quarter Ending</u>	<u>Maximum Senior Net Leverage Ratio</u>
December 31, 2017	4.50 to 1.00
March 31, 2018 and each fiscal quarter ending thereafter through and including the fiscal quarter ending March 31, 2019	4.25 to 1.00
June 30, 2019	3.75 to 1.00
September 30, 2019	3.25 to 1.00
December 31, 2019 and each fiscal quarter ending thereafter	3.00 to 1.00

(c) Total Leverage Ratio. Maintain as of the end of each fiscal quarter, a Total 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 quarters then ended set forth below:

<u>Fiscal Quarter Ending</u>	<u>Maximum Total Leverage Ratio</u>
December 31, 2017	5.50 to 1.00
March 31, 2018 and each fiscal quarter ending thereafter through and including the fiscal quarter ending March 31, 2019	4.75 to 1.00
June 30, 2019 and each fiscal quarter ending thereafter through and including the fiscal quarter ending December 31, 2019	3.75 to 1.00
March 31, 2020 and each fiscal quarter ending thereafter	3.50 to 1.00

(d) Minimum PNC Qualified Cash. Maintain at all times PNC Qualified Cash in an amount of not less than the Minimum PNC Qualified Cash Amount.”

8. Capital Expenditures. Section 7.6 of the Credit Agreement is hereby amended by deleting such Section in its entirety and replacing it with the following:

“7.6 Capital Expenditures. Contract for, purchase or make any expenditure or commitments for Capital Expenditures in any fiscal year in an aggregate amount for all Loan Parties in excess of (a) for the calendar year ending December 31, 2018, \$12,000,000, and (b) for each calendar year ending thereafter, \$15,000,000.”

9. Annual Financial Statements. 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 (i) ninety (90) days after the end of each fiscal year (other than the fiscal year ending March 31, 2018) and (ii) one hundred twenty (120) days after the end of the fiscal year ending March 31, 2018, 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, and in reasonable detail and audited by independent certified public accountants reasonably acceptable to Agent (the “Accountants”) and certified without qualification (except, with respect to the fiscal year ending March 31, 2018, any qualification solely due to the projected, potential or possible failure to comply with any covenant under this Agreement or the Term Loan Agreement during the one year period following the date such certification is delivered). The reports described in this Section shall be accompanied by a Compliance Certificate.”

10. Certain Reports. Section 9.10 of the Credit Agreement is hereby amended by (a) deleting “and” appearing at the end of clause (a) of such Section and (b) inserting the following immediately prior to the period at the end of such Section:

“, (c) promptly, but in any event within three (3) Business Days following delivery or receipt thereof, copies of all notices and other communications sent or received by Quantum in connection with the SEC Inquiry, (d) promptly, but in any event within three (3) Business Days thereof, notification of any material update or development in connection with the Independent Investigation, and (e) promptly, but in any event within three (3) Business Days following the creation, delivery or receipt thereof, copies of all reports, summaries or findings prepared by, or any other material written communications received from, the Audit

Committee; provided that Quantum shall not be required to furnish to Agent any document, information or other matter (x) in respect of which disclosure to Agent or any Lender (or their respective representatives or contractors) is prohibited by law or (y) that is subject to attorney-client or similar privilege, or constitutes attorney work-product.”

11. Events of Default. Section 10.15 of the Credit Agreement is hereby amended by deleting such Section in its entirety and replacing it with the following:

“10.15 SEC Inquiry. Either (a) any material update or development has occurred, or finding reached, in connection with the SEC Inquiry or the Independent Investigation which could reasonably be expected to result in a Material Adverse Effect, or (b) the SEC Inquiry or the Independent Investigation has discovered, determined or ruled that any consolidated financial statements of Quantum and its Subsidiaries were materially misleading in the reasonable judgement of Agent; or”.

12. Conditions Precedent. The effectiveness of this Amendment is expressly conditioned upon the satisfaction of each of the following conditions precedent in a manner satisfactory to Agent:

- (a) Agent shall have received this Amendment, duly authorized, executed and delivered by each Loan Party;
- (b) Agent shall have received the Fee Letter, duly authorized, executed and delivered by Quantum;
- (c) Agent shall have received, in form and substance satisfactory to Agent, the Second Amendment to the Intercreditor Agreement, duly authorized, executed and delivered by Term Loan Agent;
- (d) Agent shall have received, in form and substance satisfactory to Agent, that certain Third Amendment to Term Loan Credit and Security Agreement, dated as of the Third Amendment Effective Date, among Term Loan Agent, the Term Loan Lenders party thereto and the Loan Parties, duly authorized, executed and delivered by the parties thereto;
- (e) Agent shall have received payment from Borrowers of all fees, charges and disbursements of Agent and its counsel required to be paid pursuant to the Credit Agreement in connection with the preparation, execution and delivery of this Amendment; and
- (f) on the date of this Amendment and after giving effect to the provisions of this Amendment and the transactions contemplated hereby, no Default or Event of Default shall exist or have occurred and be continuing.

13. 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 powers, as applicable, (ii) have been duly authorized by all necessary corporate 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 of 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 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 date hereof and which are in full force and effect on the date hereof, 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 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, each as amended hereby, 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 date of this Amendment and after giving effect to this Amendment and the transactions contemplated hereby, 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) after giving effect to the transactions contemplated by this Amendment, on the date of this Amendment, no Default or Event of Default exists or has occurred and is continuing.

14. Reaffirmation. Each Loan Party hereby ratifies and reaffirms (a) 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 (b) 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.

15. 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.

16. Effect of this Agreement. Except as expressly amended pursuant hereto, no other changes 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 date of this Amendment. 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 bind and inure to the benefit of the respective successors and permitted assigns of each of the parties hereto.

18. Further Assurances. The Loan Parties shall execute and deliver such further documents and take such further action 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 and by different parties hereto on 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.

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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/ Fuad Ahmad

Name:Fuad Ahmad

Title:Chief Financial Officer

AGENT AND LENDERS:

PNC BANK, NATIONAL ASSOCIATION,
as Agent and Lender

By: /s/ Daniela Piemonte

Name:Daniela Piemonte

Title:Assistant Vice President

THIRD AMENDMENT TO TERM LOAN CREDIT AND SECURITY AGREEMENT

THIS THIRD AMENDMENT TO TERM LOAN CREDIT AND SECURITY AGREEMENT (this "Amendment"), with an effective date of February 14, 2018, is entered into by and among QUANTUM CORPORATION, a Delaware corporation ("Quantum", and together with each Person joined to the Credit Agreement (as defined below) as a borrower from time to time, collectively, the "Borrowers" and each a "Borrower"), each other Loan Party (as defined in the Credit Agreement) party hereto, 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") party hereto, and TCW ASSET MANAGEMENT COMPANY LLC ("TCW"), in its capacity as agent for the Lenders (in such capacity, together with its successors and assigns, the "Agent").

RECITALS

A. Agent, the Lenders, the Borrowers and the each other Loan Party from time to time party thereto are parties to that certain Term Loan Credit and Security Agreement, dated as of October 21, 2016 (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 requested that Agent and the Lenders make certain amendments to the Credit Agreement as set forth herein, and Agent and the Lenders have agreed to make such amendments, 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. Capitalized terms used herein and not defined shall have the meanings given to such terms in the Credit Agreement.

2. Amendments to Credit Agreement. Subject to the satisfaction of the conditions to effectiveness set forth in Section 3 of this Amendment and in reliance upon the representations and warranties set forth in Section 4 of this Amendment, the Credit Agreement is hereby amended as follows:

(a) Section 1.2 of the Credit Agreement is hereby amended by amending and restating the defined term "Applicable Margin" set forth therein as follows:

"Applicable Margin" shall mean the applicable rate per annum corresponding to the applicable Senior Net Leverage Ratio, all as set forth in the following table:

<i>Senior Net Leverage Ratio</i>	<i>Prime Rate Loans</i>	<i>LIBOR Rate Loans</i>
≥ 3.00x	7.25%	8.25%
≥ 2.50x, but < 3.00x	6.75%	7.75%
≥ 2.00x, but < 2.50x	6.25%	7.25%
< 2.00x	6.00%	7.00%

The Applicable Margin shall be adjusted quarterly, to the extent applicable, as of the first Business Day of the month following the date on which financial statements are required to be delivered pursuant to Section 9.8 hereof (including with respect to the last fiscal quarter of each fiscal year) after the end of each related fiscal quarter based on the Senior Net Leverage Ratio as of the last day of such fiscal quarter. Notwithstanding the foregoing, (a) until the first Business Day of the month following the date on which financial statements for the fiscal quarter ending March 31, 2019 are required to be delivered pursuant to Section 9.8 hereof, the Applicable Margin shall be (i) 7.25% with respect to Prime Rate Loans and (ii) 8.25% with respect to LIBOR Rate Loans, (b) if Borrowers fail to deliver the financial statements required by Section 9.8 hereof, and the related Compliance Certificate required by Section 9.8 hereof, by the respective date required thereunder after the end of any related fiscal quarter, if requested in writing by Agent or Required Lenders, the Applicable Margin shall be the rates corresponding to the Senior Net Leverage Ratio of ≥ 3.00x in the foregoing table until such financial statements and Compliance Certificate are delivered (plus, if requested by Agent or Required Lenders, the Default Rate), (c) no reduction to the Applicable Margin shall become effective at any time when an Event of Default has occurred and is continuing; provided, that such a reduction shall occur on the date all such Events of Default have been cured or waived in accordance with Section 16.2(b) hereof, and (d) during the PIK Interest Period, the Applicable Margin shall be increased by an amount equal to the PIK Interest Rate, with 100% of such increase being paid in kind by adding such interest to the outstanding principal amount of the Term A Loan ("PIK Interest").

If, as a result of any restatement of or other adjustment to the financial statements of the Loan Parties or for any other reason, Agent determines that (a) the Senior Net Leverage Ratio as calculated by Borrowers as of any applicable date was inaccurate and (b) a proper calculation of the Senior Net Leverage Ratio would have resulted in different pricing for any period, then (i) if the proper calculation of the Senior Net Leverage Ratio would have resulted in higher pricing for such period, Borrowers shall automatically and retroactively be obligated to pay to Agent, for the benefit of the applicable Lenders, promptly on demand by Agent, an amount equal to the excess of the amount of interest that should have been paid for such period over the amount of interest actually paid for such period; and (ii) if the proper calculation of the Senior Net Leverage Ratio would have resulted in lower pricing for such period, neither Agent nor any Lender shall have any obligation to repay any interest or fees to Borrowers; provided, that, if as a result of any restatement or other event a proper calculation of the Senior Net Leverage Ratio would have resulted in higher pricing for one or more periods and lower pricing for one or more other periods (due to the shifting of income or expenses from one period to another period or any similar reason), then (x) the amount payable by Borrowers pursuant to clause (i) above shall be based upon the excess, if any, of the amount of interest that should have been paid for all applicable periods over the amount of interest paid for all such periods and (y) the amount credited to Borrowers pursuant to clause (ii) above

shall be based upon the excess, if any, of the amount of interest paid by Borrowers for all applicable periods over the amount of interest that should have been paid for all such periods.

(b) Section 1.2 of the Credit Agreement is hereby amended by amending and restating clause (c)(i) of the defined term "EBITDA" as follows:

(i) (x) extraordinary, unusual, or non-recurring non-cash costs, non-cash expenses and non-cash losses, and (y) extraordinary, unusual, or non-recurring cash costs, cash expenses and cash losses in an aggregate amount not to exceed \$3,000,000 in any fiscal year commencing with the fiscal year commencing on April 1, 2018,

(c) Section 1.2 of the Credit Agreement is hereby amended by amending and restating clause (c)(xi) of the defined term "EBITDA" as follows:

(xi) reasonable fees, costs and expenses incurred prior to the Maturity Date in connection with cash restructuring charges up to (A) the amount of such restructuring charges actually incurred through October 31, 2017 and (B) an aggregate amount not to exceed \$15,000,000 during the Term for such restructuring charges incurred after October 31, 2017, in each case, to the extent (1) the realization of the savings to Quantum and its Subsidiaries directly arising from such restructuring charges are reasonably expected by Borrowers to commence within 12 months of any such restructuring charge and (2) Agent has received evidence, in form and substance reasonably satisfactory to Agent, supporting such expectations,

(d) Section 1.2 of the Credit Agreement is hereby amended by amending the defined term "EBITDA" by: (i) amending clause (c)(xvi) set forth therein by deleting the reference to ", and" set forth therein and inserting "," in lieu thereof, (ii) amending clause (c)(xvii) set forth therein by deleting the reference to "." set forth therein and inserting "," in lieu thereof, and (iii) adding new clauses (c)(xviii) and (c)(xix) as follows:

(xviii) without duplication of any other add-back herein, cost savings and expense reductions factually supportable and projected by Borrower in good faith to be realized as a result of specified actions taken in the fiscal quarters ending September 30, 2017, December 31, 2017 and March 31, 2018, in each case, calculated on a pro forma basis as though such cost savings and expense reductions had been realized on the first day of each applicable fiscal quarter; provided, that in any four-quarter period containing any such fiscal quarter, the amount of cost savings and expense reductions added back pursuant to this clause (xviii) shall not exceed (x) \$9,800,000 with respect to the fiscal quarter ending September 30, 2017, (y) \$8,100,000 with respect to the fiscal quarter ending December 31, 2017 and (z) \$3,100,000 with respect to the fiscal quarter ending March 31, 2018, and

(xix) without duplication of any other add-back herein, amounts paid by Borrowers to Agent to reimburse Agent for costs, fees and expenses incurred in connection with Agent's engagement of an independent financial advisor pursuant to Section 4.7(b) hereof, in an aggregate amount not to exceed \$250,000 during the Term, minus

(e) Section 1.2 of the Credit Agreement is hereby amended by amending the defined term "EBITDA" by adding a clause (d) as follows:

(d) the amount (if any) by which the aggregate "Total Controlled Spend" (as such term is used in the income statements of Quantum and its Subsidiaries) for any fiscal quarter exceeds \$51,800,000.

(f) Section 1.2 of the Credit Agreement is hereby amended by amending and restating the defined term "Fee Letter" set forth therein as follows:

"Fee Letter" shall mean the fee letter dated the Closing Date among Borrowers and Agent, as amended, restated or otherwise modified from time to time, including as amended by the First Amendment to Fee Letter and the Second Amendment to Fee Letter.

(g) Section 1.2 of the Credit Agreement is hereby amended by amending and restating the defined term "Fixed Charges" set forth therein as follows:

"Fixed Charges" shall mean, with respect to any Person for any fiscal period, the sum of the following, without duplication (in each case determined in accordance with GAAP): (a) all Debt Payments made by such Person during such period, plus (b) all federal, state, and local income taxes paid in cash during such period (other than the German Tax Obligations in an amount not to exceed the Dollar Equivalent of €1,313,582.12 during the Term), plus (c) all Restricted Payments paid (whether in cash or other property, other than common Equity Interests) during such period; plus (d) all rent paid in cash during such period for restructured facilities; provided that, notwithstanding the foregoing, "Fixed Charges" shall not include (x) any prepayments or repayments of the Convertible Subordinated Debt made in accordance with Section 7.18 hereof during such period and (y) the amount of the Incremental Delayed Draw Term Loan repaid on June 30, 2020 in accordance with Section 2.1(b)(ii) hereof during such period. Notwithstanding the foregoing, for purposes of calculating the Fixed Charge Coverage Ratio of Quantum and its Subsidiaries for any fiscal period ending on December 31, 2017, March 31, 2018, June 30, 2018 and September 30, 2018: the Fixed Charges of Quantum and its Subsidiaries for the fiscal quarter ending on December 31, 2017 shall be deemed to be \$3,078,104.00.

(h) Section 1.2 of the Credit Agreement is hereby amended by amending and restating the defined term "Minimum PNC Qualified Cash Amount" set forth therein as follows:

"Minimum PNC Qualified Cash Amount" shall mean (a) for the period from the Third Amendment Effective Date through March 31, 2019, \$5,000,000, (b) for the period from April 1, 2019 through June 30, 2019, \$7,500,000, (c) for the period from July 1, 2019 through September 30, 2019, \$10,000,000, and (d) at all times on and after October 1, 2019, \$12,000,000.

(i) Section 1.2 of the Credit Agreement is hereby amended by amending and restating the defined term "Senior Net Leverage Ratio" set forth therein as follows:

"Senior Net Leverage Ratio" shall mean, for any Person on any date of determination, the ratio of (a) the Adjusted Funded Debt of such Person on such date,

to (b) EBITDA of such Person for the four (4) fiscal quarter period ending on or immediately prior to such date; provided that for purposes of calculating Senior Net Leverage Ratio for purposes of determining Applicable Margin, EBITDA shall be calculated without giving effect to clause (c)(xviii) of the definition of EBITDA.

(j) Section 1.2 to the Credit Agreement is hereby amended by adding each of the following defined terms thereto in their proper alphabetical order:

"Audit Committee" shall mean the audit committee of Quantum.

"Independent Investigation" shall mean the independent investigation, assisted by independent advisors, initiated by the Audit Committee in connection with the SEC Inquiry.

"PIK Interest" shall have the meaning set forth in the definition of "Applicable Margin".

"PIK Interest Rate" shall mean a rate per annum equal to 2.00%.

"PIK Interest Period" shall mean the period commencing on the Third Amendment Effective Date and ending on the earlier of (x) the date that the aggregate amount of Net Cash Proceeds received by Quantum from the issuance of Qualified Equity Interests after the Third Amendment Effective Date is at least \$25,000,000 and (y) the first date thereafter on which financial statements delivered pursuant to Section 9.8 hereof demonstrate that Quantum and its Subsidiaries, on a consolidated basis, are in compliance with each of the financial covenants set forth in Section 6.5 hereof (as in effect immediately prior to the Third Amendment Effective Date) for the four (4) fiscal quarter period then ended; provided that for purposes of determining compliance with the financial covenants set forth in Section 6.5 hereof (as in effect immediately prior to the Third Amendment Effective Date) for purposes of this clause (y), EBITDA shall be calculated without giving effect to clause (c)(xviii) of the definition of EBITDA.

"SEC Inquiry" shall mean that certain inquiry initiated by the Securities and Exchange Commission on or around January 11, 2018 regarding Quantum's accounting practices and internal controls related to revenue recognition for transactions commencing April 1, 2016.

"Third Amendment" means that certain Third Amendment to Term Loan Credit and Security Agreement, dated as of the Third Amendment effective Date, by and among Quantum, the Lenders party thereto, and Agent.

"Third Amendment Effective Date" means February 14, 2018.

(k) Section 3.1(b) of the Credit Agreement is hereby amended and restated in its entirety as follows:

(b) All interest and fees under this Agreement and each Other Document shall be calculated on the basis of a 360-day year for the actual number of days elapsed. The date of funding of a Prime Rate Loan and the first day of an Interest Period with respect to a LIBOR Rate Loan shall be included in the calculation of interest. The

date of payment of a Prime Rate Loan and the last day of an Interest Period with respect to a LIBOR Rate Loan shall be excluded from the calculation of interest. If a Loan is repaid on the same day that it is made, one (1) days' interest shall be charged. Interest on all Prime Rate Loans is payable (in cash or PIK Interest, as applicable) in arrears on the last Business Day of each fiscal quarter and on the maturity of such Loans, whether by acceleration or otherwise. Interest on LIBOR Rate Loans shall be payable (in cash or PIK Interest, as applicable) on the last day of the applicable Interest Period, unless the Interest Period is greater than three (3) months, in which case interest will be payable on the last day of each three (3) month interval. In addition, interest on LIBOR Rate Loans is due on the maturity of such Loans, whether by acceleration or otherwise. For the avoidance of doubt, any PIK Interest shall be compounded on each interest payment date and added to the outstanding principal amount of the Term A Loan and, once paid, shall be treated as principal amount of the Term A Loan for all purposes of this Agreement. Following any such increase in the principal amount of the Term A Loan, interest will accrue on such increased amount.

(l) Section 4.7 of the Credit Agreement is hereby amended and restated in its entirety as follows:

4.7 Appraisals. Agent may, in its Permitted Discretion, (a) at any time after the Closing Date and from time to time, engage the services of an independent appraisal firm or firms of reputable standing, satisfactory to Agent, for the purpose of appraising the then current value of the Loan Parties' assets (including without limitation Intellectual Property and the LTO Program), (b) at any time after the Third Amendment Effective Date, engage the services of an independent financial advisor, and such financial advisor shall be granted by Borrowers and their Subsidiaries with full access to, and shall have the right to audit, check and inspect, the books, records, audits, correspondence and all other papers relating to the operation of each Loan Party's business, and (c) at any time during the Quality of Earnings Reporting Period, engage the services of a third party firm acceptable to Agent in its Permitted Discretion, for the purpose of performing a quality of earnings report. Absent the occurrence and continuance of an Event of Default at such time, Agent shall consult with Borrowing Agent as to the identity of any such firms; provided, that it is agreed by the parties hereto that Gordon Brothers Asset Advisors, LLC shall be deemed to be an acceptable firm for purposes of appraising the value of the LTO Program. All of the fees and out-of-pocket costs and expenses of any appraisals and reports conducted, or engagement made, pursuant to this Section 4.7 shall be paid for when due, in full and without deduction, off-set or counterclaim by Borrowers; provided, that Borrowers shall not be responsible to pay or reimburse Agent for any such fees and out-of-pocket costs and expenses of an independent financial advisor engaged pursuant to the foregoing clause (b) of this Section 4.7 to the extent incurred or accrued after the last day of the month in which Agent receives financial statements and the related Compliance Certificate required by Section 9.8 hereof demonstrating that Quantum and its Subsidiaries, on a consolidated basis, are in compliance with each of the financial covenants set forth in Section 6.5 hereof (as in effect immediately prior to the Third Amendment Effective Date) for the four (4) fiscal quarter period then ended; provided further, that for purposes of determining compliance with the financial covenants set forth in Section 6.5 hereof (as in effect immediately prior to the Third Amendment Effective Date) for purposes of this proviso, EBITDA shall be calculated without

giving effect to clause (c)(xviii) of the definition of EBITDA. Notwithstanding the foregoing, (i) no more than one (1) quality of earnings report shall be performed at the expense of the Borrowers during the Term, (ii) no more than two (2) appraisals of Intellectual Property (which shall include, without limitation, appraisals of the LTO Program) shall be conducted at the expense of the Borrowers during any consecutive twelve (12) month period, and (iii) if an Event of Default shall exist, then notwithstanding anything to the contrary in the foregoing clause (ii), there shall be no limitation on the number or frequency of appraisals which may be conducted at the expense of the Borrowers.

(m) Section 6.5 of the Credit Agreement is hereby amended and restated in its entirety as follows:

6.5 Financial Covenants.

(a) Fixed Charge Coverage Ratio. Maintain as of the end of each fiscal quarter, a Fixed Charge Coverage Ratio for Quantum and its Subsidiaries, on a consolidated basis, of not less than the ratio set forth below for each four (4) consecutive fiscal quarter period then ended set forth below:

<u>Fiscal Quarter Ending</u>	<u>Minimum Fixed Charge Coverage Ratio</u>
December 31, 2017	1.25 to 1.00
March 31, 2018 and each fiscal quarter ending thereafter	1.00 to 1.00

(b) Senior Net Leverage Ratio. Maintain as of the end of each fiscal quarter, a Senior 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:

<u>Fiscal Quarter Ending</u>	<u>Maximum Senior Net Leverage Ratio</u>
December 31, 2017	4.50 to 1.00
March 31, 2018 and each fiscal quarter ending thereafter through and including the fiscal quarter ending March 31, 2019	4.25 to 1.00
June 30, 2019	3.75 to 1.00
September 30, 2019	3.25 to 1.00
December 31, 2019 and each fiscal quarter ending thereafter	3.00 to 1.00

(c) Total Leverage Ratio. Maintain as of the end of each fiscal quarter, a Total 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 quarters then ended set forth below:

<u>Fiscal Quarter Ending</u>	<u>Maximum Total Leverage Ratio</u>
December 31, 2017	5.50 to 1.00
March 31, 2018 and each fiscal quarter ending thereafter through and including the fiscal quarter ending March 31, 2019	4.75 to 1.00
June 30, 2019 and each fiscal quarter ending thereafter through and including the fiscal quarter ending December 31, 2019	3.75 to 1.00
March 31, 2020 and each fiscal quarter ending thereafter	3.50 to 1.00

(d) Minimum PNC Qualified Cash. Maintain at all times PNC Qualified Cash in an amount of not less than the Minimum PNC Qualified Cash Amount.

(n) Section 7.6 of the Credit Agreement is hereby amended and restated in its entirety as follows:

7.6 Capital Expenditures. Contract for, purchase or make any expenditure or commitments for Capital Expenditures in any fiscal year in an aggregate amount for all Loan Parties in excess of (a) for the calendar year ending December 31, 2018, \$12,000,000, and (b) for each calendar year ending thereafter, \$15,000,000.

(o) Section 9.7 of the Credit Agreement is hereby amended and restated in its entirety as follows:

9.7 Annual Financial Statements. Furnish Agent within (i) ninety (90) days after the end of each fiscal year (other than the 2018 fiscal year) and (ii) one hundred twenty (120) days after the end of the 2018 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, and in reasonable detail and audited by independent certified public accountants reasonably acceptable to Agent (the "Accountants") and certified without qualification (except, solely with respect to the 2018 fiscal year, to the extent such qualification solely is due to the projected, potential or possible failure to comply with any covenant under this Agreement or the Revolving Loan Agreement during the one year period following the date such certification is delivered). The reports described in this Section shall be accompanied by a Compliance Certificate.

(p) Section 9.14 of the Credit Agreement is hereby amended and restated in its entirety as follows:

9.14 SEC Inquiry. (a) Furnish Agent, promptly, but in any event within three (3) Business Days following delivery or receipt thereof, copies of all notices and other communications sent or received by Quantum in connection with the SEC Inquiry, (b) notify Agent, promptly, but in any event within three (3) Business Days thereof, of any material update or development in connection with the Independent

Investigation, and (c) furnish Agent, promptly, but in any event within three (3) Business Days following the creation, delivery or receipt thereof, copies of all reports, summaries or findings prepared by, or any other material written communication received from, the Audit Committee; provided that Quantum shall not be required to furnish to Agent any document, information or other matter (i) in respect of which disclosure to Agent or any Lender (or their respective representatives or contractors) is prohibited by Applicable Law or (ii) that is subject to attorney-client or similar privilege, or constitutes attorney work-product.

(q) Section 10.15 of the Credit Agreement is hereby amended and restated in its entirety as follows:

10.15 SEC Inquiry. Either (a) any material update or development has occurred, or finding reached, in connection with the SEC Inquiry or the Independent Investigation which could reasonably be expected to result in a Material Adverse Effect, or (b) the SEC Inquiry or the Independent Investigation has discovered, determined or ruled that any consolidated financial statements of Quantum and its Subsidiaries were materially misleading in the reasonable judgment of Agent; or

3. Conditions Precedent. The effectiveness of this Amendment is expressly conditioned upon the satisfaction of each of the following conditions precedent in a manner satisfactory to Agent:

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

(b) Agent shall have received a fully executed copy, in form and substance reasonably satisfactory to Agent, of that certain Second Amendment to Fee Letter of even date herewith between Borrowers and Agent (the "Second Amendment to Fee Letter");

(c) Agent shall have received a fully executed copy, in form and substance reasonably satisfactory to Agent, of that certain Fourth Amendment to Revolving Credit and Security Agreement, dated as of the date hereof, among Revolving Loan Agent, the Revolving Loan Lenders party thereto and the Loan Parties;

(d) Agent shall have received a fully executed copy, in form and substance reasonably satisfactory to Agent, of that certain Second Amendment to Intercreditor Agreement, dated as of the date hereof, among Agent, Revolving Loan Agent and the Loan Parties;

(e) Agent shall have received a fully executed copy, in form and substance reasonably satisfactory to Agent, of that certain Amendment No. 1 to Warrant To Purchase Stock, dated as of the date hereof, between Quantum and Agent or one of its Affiliates;

(f) Agent shall have received evidence that proceeds in an amount not less than \$7,000,000 released from a Blocked Account at PNC shall have been used to repay outstanding Advances;

(g) Agent shall have received, in form and substance reasonably satisfactory to Agent, copies of resolutions of the board of directors (or other equivalent governing body or member) of each Loan Party authorizing the execution, delivery and performance of this Amendment;

(h) Agent shall have received all fees payable to Agent and Lenders pursuant to the terms of the Fee Letter;

(i) All proceedings taken in connection with the transactions contemplated by this Amendment and all documents, instruments and other legal matters incident thereto shall be reasonably satisfactory to Agent and its legal counsel; and

(j) on the date of this Amendment and after giving effect to the provisions of this Amendment and the transactions contemplated hereby, no Default or Event of Default shall exist or have occurred and be continuing.

4. 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 powers, as applicable, (ii) have been duly authorized by all necessary corporate 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 of 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 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 or (y) any immaterial Consents of any Governmental Body, all of which will have been duly obtained, made or complied with prior to the date hereof and which are in full force and effect on the date hereof, 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 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, each as amended hereby, 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 date of this Amendment and after giving effect to this Amendment and the transactions contemplated hereby, 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) after giving effect to the transactions contemplated by this Amendment, on the date of this Amendment, no Default or Event of Default exists or has occurred and is continuing.

5. Reaffirmation. Each Loan Party hereby ratifies and reaffirms (a) 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 (b) 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.

6. 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.

7. Effect of this Agreement. Except as expressly amended pursuant hereto, no other changes 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 date of this Amendment. 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.

8. Binding Effect. This Amendment shall bind and inure to the benefit of the respective successors and permitted assigns of each of the parties hereto.

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

10. Counterparts; Electronic Signature. This Amendment may be executed in any number of and by different parties hereto on 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.

11. Release. In consideration of the agreements of Agent and Lenders contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, each Loan Party, on behalf of itself and its respective successors, assigns, and other legal representatives, hereby absolutely, unconditionally and irrevocably releases, remises and forever discharges Agent and Lenders, and their successors and assigns, and their present and former shareholders, affiliates, subsidiaries, divisions, predecessors, directors, officers, attorneys, employees, agents and other representatives (Agent, each Lender and all such other Persons being hereinafter referred to collectively as the "Releasees" and individually as a "Releasee"), of and from all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any and all other claims, counterclaims, defenses, rights of set-off, demands and liabilities whatsoever (individually, a "Claim" and collectively, "Claims") of every name and nature, known or unknown, suspected or unsuspected, as of the date of this Amendment, both at law and in equity, which such Loan Party, or any of its respective successors, assigns, or other legal representatives may now or hereafter own, hold, have or claim to have against the Releasees or any of them for, upon, or by reason of any circumstance, action, cause or thing whatsoever which arises at any time on or prior to the day and date of this Amendment, in each case for or on account of, or in relation to, or in any way in connection with any of the Credit Agreement, any of the Other Documents or transactions thereunder or related thereto; provided that nothing contained herein shall release any Releasee from any Claims resulting from the gross negligence, willful misconduct or material breach of the Credit Agreement or any of the Other Documents by any Releasee as determined by a court of competent jurisdiction in a final non-appealable judgment or order or for any Claim arising with respect to obligations arising under this Amendment or the documents entered into as of the date hereof.

[Signature Page Follows]

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

LOAN PARTIES:

QUANTUM CORPORATION, as Borrower

By: /s/ Fuad Ahmad

Name:Fuad Ahmad

Title:Chief Financial Officer

AGENT AND LENDERS:

TCW ASSET MANAGEMENT COMPANY LLC, as Agent and a Lender

By: /s/ Suzanne Grosso

Name:Suzanne Grosso

Title:Managing Director

TCW DIRECT LENDING, LLC, as a Lender

By: TCW Asset Management Company LLC, its Investment Advisor

By: /s/ Suzanne Grosso

Name:Suzanne Grosso

Title:Managing Director

WEST VIRGINIA DIRECT LENDING LLC, as a Lender

By: TCW Asset Management Company LLC, its Investment Advisor

By: /s/ Suzanne Grosso

Name:Suzanne Grosso

Title:Managing Director

TCW SKYLINE LENDING, L.P., as a Lender

By: TCW Asset Management Company LLC, its Investment Advisor

By: /s/ Suzanne Grosso

Name:Suzanne Grosso

Title:Managing Director

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 ARTICLE 5 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 AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

WARRANT TO PURCHASE STOCK

Company: QUANTUM CORPORATION
a Delaware corporation
Number of Shares: 270,129 shares
Class of Stock: Common Stock
Warrant Price: \$0.01 per share
Issue Date: December 4, 2017
Expiration Date: December 4, 2022

THIS WARRANT TO PURCHASE STOCK (THIS “WARRANT”) CERTIFIES THAT, for good and valuable consideration, the receipt of which is hereby acknowledged, TCW Direct Lending, LLC is entitled to purchase the number of fully paid and nonassessable shares of the class of securities (the “Shares”) of QUANTUM CORPORATION (the “Company”) at the Warrant Price, all as set forth above and as adjusted pursuant to the terms of this Warrant, subject to the provisions and upon the terms and conditions set forth in this Warrant. Capitalized terms used herein but not specifically defined herein shall have the meanings ascribed to them in that certain Term Loan Credit and Security Agreement, dated as of October 21, 2016 (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), by and among the Company, the financial institutions from time to time party thereto (collectively, the “Lenders”), the Holder, as Agent for the Lenders, and the other parties thereto.

ARTICLE 1 EXERCISE

1.1 Conditions to Exercise.

(a) This Warrant shall be immediately exercisable for 162,077 shares of the Company’s Common Stock (subject to adjustment as provided herein) at any time until the Expiration Date.

(b) In addition to the shares immediately exercisable under Section 1.1(a) (and subject to the last sentence of this Section 1.1(b)), if, and only if, both (i) EBITDA (as calculated in accordance with generally accepted accounting principles in the United States) of the Company and its Subsidiaries for the 12 month period ending on any of June 30, 2018, September 30, 2018, December 31, 2018 or March 31, 2019 is less than or equal to \$30,000,000 and (ii) the Incremental Delayed Draw Term Loan has not been repaid in full in cash on or prior to March 31, 2019 (the “Additional Vesting Event”), then from March 31, 2019 through the Expiration Date, this Warrant shall be exercisable for an additional 108,051 shares of the Company’s Common Stock (subject to adjustment as provided herein) (such shares, the “Additional Shares”). Furthermore, the Additional Vesting Event shall be deemed to occur immediately prior to an Acquisition if (x) the Additional Vesting Event has not previously occurred and (y) such Acquisition is consummated on or after the date that is one year from the Second Amendment Effective Date but on or prior to March 31, 2019 (for the avoidance of doubt, if an Acquisition is consummated prior to (but not including) the date that is one year from the Second Amendment Effective Date, then the Warrant will not be exercisable for the Additional Shares and the Warrant will expire as to the Additional Shares upon consummation of the Acquisition).

1.2 Method of Exercise. Holder may exercise any portion of this Warrant that is exercisable by delivering a duly completed and executed Notice of Exercise in substantially the form attached as Appendix I to the principal office of the Company. Unless Holder is exercising the cashless exercise right set forth in Section 1.3, 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 Warrant Price for the Shares being purchased.

1.3 Cashless Exercise Right. In lieu of exercising this Warrant as specified in Section 1.2, 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 Warrant Price pursuant to Section 1.2, elect instead to receive upon such exercise the "net number" of shares of Common Stock determined according to the following formula (a "Cashless Exercise"):

$$\text{Where:} \quad X = \frac{Y(A - B)}{A}$$

X = The number of Shares to be issued to Holder
Y = The number of 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 (at the date of such calculation)
B = The Warrant Price per share (as adjusted to the date of such calculation)

1.4 Calculation of FMV. For purposes of the calculation above, the fair market value of one Share shall be the average for the five trading days immediately prior to the date of determination thereof of the last reported sale price regular way on each such day, or, in the case no such sale takes place on any such day, the average of the reported closing bid and asked prices regular way of the shares of Common Stock on such day, in each case as quoted on the New York Stock Exchange, as reported by Bloomberg Markets, or such other principal securities exchange or inter-dealer quotation system on which the shares of Common Stock are then traded.

1.5 Delivery of Shares and New Warrant. Within two (2) business days after Holder exercises this Warrant in the manner set forth in Section 1.2 or Section 1.3 above, the Company shall deliver to Holder the Shares so acquired, provided that such Shares shall be deemed delivered upon the Company's delivery of evidence of a book-entry or similar position through The Depository Trust & Closing Corporation or any other depository or similar functionary, credited to an account for the benefit of Holder. If this Warrant has not been fully exercised and has not expired, a new warrant representing the Shares not so acquired shall be issued to Holder.

1.6 Treatment of Warrant at Acquisition. In the event of an Acquisition, either (a) Holder shall exercise or convert this Warrant in full (or shall be deemed to so convert pursuant to the immediately following sentence) with respect to all remaining Shares for which the Warrant is then exercisable (including Shares deemed exercisable by virtue of the last sentence of Section 1.1(b)) and such exercise or conversion will be deemed effective immediately prior to the consummation of such Acquisition or (b) if Holder elects in writing not to exercise or convert the Warrant, this Warrant will expire upon the consummation of such Acquisition. The Company shall provide Holder with written notice of the foregoing (together with such reasonable information as Holder may request in connection with such contemplated Acquisition giving rise to such notice), which is to be delivered to Holder not less than ten (10) days prior to the closing of the proposed Acquisition and, unless the Company receives a notice in writing from Holder that it elects to have the unexercised portion of the Warrant expire, then the unexercised portion of the Warrant shall be deemed to be automatically exercised pursuant to Section 1.3 immediately prior to the Acquisition.

For purposes of this Warrant, "Acquisition" shall mean: (i) the acquisition of the Company by another entity by means of any transaction or series of related transactions to which the Company is a party (including, without limitation, any stock acquisition, reorganization, merger or consolidation, but excluding any sale of stock for capital raising purposes and any transaction effected primarily for purposes of changing the Company's jurisdiction of incorporation) other than a transaction or series of related transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Company or such other surviving or resulting entity (or if the Company or such other surviving or resulting entity is a wholly-owned subsidiary immediately following such acquisition, its

parent), or (ii) a sale, lease or other disposition of all or substantially all of the assets of the Company and its subsidiaries taken as a whole by means of any transaction or series of related transactions, except where such sale, lease or other disposition is to a wholly-owned subsidiary or affiliate of the Company.

1.7 Replacement of Warrant. On receipt 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 this Warrant, upon delivery of an indemnity agreement reasonably satisfactory in form, substance and amount to the Company or, in the case of mutilation, upon surrender and cancellation of this Warrant, the Company at its expense shall, within a reasonable period of time, execute and deliver to Holder, in lieu of this Warrant, a new warrant of like tenor and amount.

ARTICLE 2 ADJUSTMENTS TO THE SHARES AND NOTIFICATION OF CERTAIN EVENTS

2.1 Fractional Shares. No fractional Shares shall be issuable upon exercise of this Warrant and the number of Shares to be issued shall be rounded down to the nearest whole Share. If a fractional share interest arises upon any exercise of this Warrant, the Company shall eliminate such fractional share interest by paying Holder an amount computed by multiplying the fractional interest by the fair market value, calculated as provided in Section 1.4 above, of a full Share.

2.2 Adjustments. Subject to the expiration of this Warrant pursuant to Section 5.1, the number and kind of shares purchasable hereunder and the Warrant Price therefor are subject to adjustment from time to time, as follows:

2.2.1 Merger or Reorganization. If at any time there shall be any reorganization, recapitalization, merger or consolidation (a "Reorganization") involving the Company (other than an Acquisition which is subject to the provisions of Section 1.6) in which shares of the Company's stock are converted into or exchanged for securities, cash or other property, then, as a part of such Reorganization, lawful provision shall be made so that the Holder shall thereafter be entitled to receive upon exercise of this Warrant, the kind and amount of securities, cash or other property of the successor corporation resulting from such Reorganization, equivalent in value to that which a holder of the Shares deliverable upon exercise of this Warrant would have been entitled in such Reorganization if the right to purchase the Shares hereunder had been exercised immediately prior to such Reorganization. In any such case, appropriate adjustment (as determined in good faith by the Board of Directors of the successor corporation) shall be made in the application of the provisions of this Warrant with respect to the rights and interests of the Holder after such Reorganization to the end that the provisions of this Warrant shall be applicable after the event, as near as reasonably may be, in relation to any shares or other securities deliverable after that event upon the exercise of this Warrant.

2.2.2 Reclassification of Shares. 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 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 stock 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 shares.

2.2.3 Subdivisions and Combinations. In the event that the outstanding shares of the Company's Common Stock are subdivided (by stock split, by payment of a stock dividend or otherwise) into a greater number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately increased, and the Warrant Price shall be proportionately decreased, and in the event that the outstanding shares of Common Stock are combined (by reclassification or otherwise) into a lesser number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately decreased, and the Warrant Price shall be proportionately increased.

2.2.4 Notice of Adjustments. Upon any adjustment in accordance with this Section 2.2, the Company shall give notice thereof to the Holder, which notice shall state the event giving rise to the adjustment, the Warrant Price as adjusted and the number of securities or other property purchasable upon the exercise of the rights under this Warrant, setting forth in reasonable detail the method of calculation of each. The Company shall, upon the written request of any Holder, furnish or cause to be furnished to such Holder a certificate setting forth (i) such adjustments, (ii) the Warrant Price at the time in effect and (iii) the number of securities and the amount, if any, of other property that at the time would be received upon exercise of this Warrant.

2.3 Notification of Certain Events. Prior to the Expiration Date, in the event that the Company shall authorize:

2.3.1 the issuance of any dividend or other distribution on the capital stock of the Company (other than (i) dividends or distributions otherwise provided for in Section 2.2.3, or (ii) any repurchases of the Company's Common Stock), whether in cash, property, stock or other securities; or

2.3.2 the voluntary liquidation, dissolution or winding up of the Company, the Company shall send to the Holder at least ten (10) days prior written notice of the date on which a record shall be taken for any such dividend or distribution specified in clause 2.3.1 or the expected effective date of any such other event specified in clause 2.3.2. The notice provisions set forth in this section may be shortened or waived prospectively or retrospectively by the consent of the Holder.

ARTICLE 3
REPRESENTATIONS AND COVENANTS OF THE COMPANY

3.1 Representations and Warranties. The Company hereby represents and warrants to Holder that all Shares which may be issued upon the exercise of the purchase right represented by 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.

3.2 Reservation of Stock. The Company hereby represents and warrants to Holder that sufficient shares of the Company's Common Stock have been reserved and are available for issuance from its authorized and unissued shares of Common Stock for the purpose of effecting the exercise of this Warrant, and such shares will remain available at all times until the date this Warrant has been exercised in full or, if earlier, the Expiration Date.

ARTICLE 4
INVESTMENT REPRESENTATIONS AND COVENANTS OF HOLDER

With respect to the acquisition of this Warrant and any of the Shares, Holder hereby represents and warrants to, and agrees with, the Company as follows:

4.1 Purchase Entirely for Own Account. This Warrant is issued to Holder in reliance upon Holder's representation to the Company that this Warrant and the 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 Shares.

4.2 Reliance upon Holder's Representations. Holder understands that this Warrant and the 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.

4.3 Accredited Investor Status. Holder represents to the Company that Holder is an Accredited Investor (as defined in the Act).

4.4 Restricted Securities. Holder understands that this Warrant and the 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.

4.5 Restrictions on Sale. Notwithstanding anything to the contrary contained herein, Holder agrees that Holder, together with its affiliates will not sell on any one trading day more than 50,000 Shares obtained from the exercise of the Warrant without the prior written consent of the Company.

ARTICLE 5
MISCELLANEOUS

5.1 Term; Exercise Upon Expiration. Subject to the terms of this Warrant, including Sections 1.1 and 1.6, this Warrant is exercisable in whole or in part, at any time and from time to time on or before the Expiration Date set forth above. The Company agrees that Holder may terminate this Warrant, upon written notice to the Company, at any time in its sole discretion.

5.2 Legends. This Warrant and the Shares shall be imprinted with a legend in substantially the following form:

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 ARTICLE 5 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 AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

5.3 Compliance with Securities Laws on Transfer. This Warrant and the Shares issuable upon exercise of this Warrant may not be transferred or assigned in whole or in part without (i) compliance with applicable federal and state securities laws by the transferor and the transferee, and (ii) if requested by Company, an opinion of counsel, reasonably satisfactory to Company, to the effect that such transfer or assignment is in compliance with applicable federal and state securities laws. The Company may issue stop transfer instructions to its transfer agent in connection with the restrictions in this Section 5.3.

5.4 Transfer Procedure. Subject to the provisions of Section 5.3, Holder may transfer all or part of this Warrant to its affiliates, and such affiliate shall then be entitled to all the rights and bound by all of the obligations of Holder under this Warrant and any related agreements, and the Company shall cooperate fully in ensuring that any stock issued upon exercise of this Warrant is issued in the name of the affiliate that exercises this Warrant. The terms and conditions of this Warrant shall inure to the benefit of, and be binding upon, the Company and the holder hereof and its respective permitted successors and assigns. Any transferee shall be bound by the obligations and restrictions of this Warrant as if such transferee was the original holder hereof.

5.5 Notices. All notices and other communications from the Company to Holder, or vice versa, shall be deemed delivered and effective when given personally or mailed by first-class registered or certified mail, postage prepaid, or sent via a nationally recognized overnight courier service, fee prepaid, or on the first business day after transmission by electronic mail, at such address or electronic mail address as may have been furnished to the Company or Holder, as the case may be, in writing by the Company or such Holder from time to time. Effective upon the receipt of the executed Warrant, all notices to Holder shall be addressed as follows until the Company receives notice of a change of address in connection with a transfer or otherwise:

TCW Direct Lending, LLC
Attn: Mark Gertzof
227 West Monroe Street, Suite 3225
Chicago, IL 60606
E-mail: mark.gertzof@tcw.com

All notices to the Company shall be addressed as follows:

Quantum Corporation
Attn: Shawn Hall
224 Airport Parkway, Suite 550
San Jose, CA 95110
E-mail: shawn.hall@quantum.com

5.6 Amendments; Waiver. This Warrant and any term hereof may be amended, changed, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement of such amendment, change, waiver, discharge or termination is sought.

5.7 Attorneys' Fees. In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs reasonably incurred in such dispute, including reasonable and documented attorneys' fees.

5.8 Governing Law. This Warrant shall be governed by and construed in accordance with the laws of the State of California, without giving effect to its principles regarding conflicts of law.

5.9 Public Disclosure. The Company shall file a copy of this Warrant with the U.S. Securities and Exchange Commission ("SEC"), within the time periods required by applicable SEC rules and regulations, in order to comply with its obligations under federal securities laws.

5.10 Rights as a Stockholder. No holder of this Warrant, as such, shall be entitled to vote or receive dividends or be deemed the holder of Shares or any other securities of the Company which may at any time be issuable upon the exercise hereof for any purpose, nor shall anything contained herein be construed to confer upon Holder, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to receive notice of meetings, or to receive dividends or subscription rights or otherwise until this Warrant shall have been exercised as provided herein.

5.11 Counterparts; Signatures. This Warrant may be executed in counterparts, all of which together shall constitute one and the same agreement. Any signature page delivered electronically or by facsimile shall be binding to the same extent as an original signature page with regards to any agreement subject to the terms hereof or any amendment thereto.

[signature on following page]

QUANTUM CORPORATION

By: /s/ Fuad Ahmad

Name: Fuad Ahmad

Title: CFO

Accepted and Agreed:

TCW DIRECT LENDING, LLC

By: /s/ Mark Gertzof

Name: Mark Gertzof

Title: Managing Director

APPENDIX I

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 Holder a new warrant representing the Shares not acquired.

2. 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)

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 ARTICLE 5 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 AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

WARRANT TO PURCHASE STOCK

Company: QUANTUM CORPORATION
a Delaware corporation
Number of Shares: 30,171 shares
Class of Stock: Common Stock
Warrant Price: \$0.01 per share
Issue Date: December 4, 2017
Expiration Date: December 4, 2022

THIS WARRANT TO PURCHASE STOCK (THIS “WARRANT”) CERTIFIES THAT, for good and valuable consideration, the receipt of which is hereby acknowledged, West Virginia Direct Lending LLC is entitled to purchase the number of fully paid and nonassessable shares of the class of securities (the “Shares”) of QUANTUM CORPORATION (the “Company”) at the Warrant Price, all as set forth above and as adjusted pursuant to the terms of this Warrant, subject to the provisions and upon the terms and conditions set forth in this Warrant. Capitalized terms used herein but not specifically defined herein shall have the meanings ascribed to them in that certain Term Loan Credit and Security Agreement, dated as of October 21, 2016 (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), by and among the Company, the financial institutions from time to time party thereto (collectively, the “Lenders”), the Holder, as Agent for the Lenders, and the other parties thereto.

ARTICLE 1 EXERCISE

1.1 Conditions to Exercise.

(a) This Warrant shall be immediately exercisable for 18,103 shares of the Company’s Common Stock (subject to adjustment as provided herein) at any time until the Expiration Date.

(b) In addition to the shares immediately exercisable under Section 1.1(a) (and subject to the last sentence of this Section 1.1(b)), if, and only if, both (i) EBITDA (as calculated in accordance with generally accepted accounting principles in the United States) of the Company and its Subsidiaries for the 12 month period ending on any of June 30, 2018, September 30, 2018, December 31, 2018 or March 31, 2019 is less than or equal to \$30,000,000 and (ii) the Incremental Delayed Draw Term Loan has not been repaid in full in cash on or prior to March 31, 2019 (the “Additional Vesting Event”), then from March 31, 2019 through the Expiration Date, this Warrant shall be exercisable for an additional 12,069 shares of the Company’s Common Stock (subject to adjustment as provided herein) (such shares, the “Additional Shares”). Furthermore, the Additional Vesting Event shall be deemed to occur immediately prior to an Acquisition if (x) the Additional Vesting Event has not previously occurred and (y) such Acquisition is consummated on or after the date that is one year from the Second Amendment Effective Date but on or prior to March 31, 2019 (for the avoidance of doubt, if an Acquisition is consummated prior to (but not including) the date that is one year from the Second

Amendment Effective Date, then the Warrant will not be exercisable for the Additional Shares and the Warrant will expire as to the Additional Shares upon consummation of the Acquisition).

1.2 Method of Exercise. Holder may exercise any portion of this Warrant that is exercisable by delivering a duly completed and executed Notice of Exercise in substantially the form attached as Appendix I to the principal office of the Company. Unless Holder is exercising the cashless exercise right set forth in Section 1.3, 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 Warrant Price for the Shares being purchased.

1.3 Cashless Exercise Right. In lieu of exercising this Warrant as specified in Section 1.2, 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 Warrant Price pursuant to Section 1.2, elect instead to receive upon such exercise the “net number” of shares of Common Stock determined according to the following formula (a “Cashless Exercise”):

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

Where:

- X = The number of Shares to be issued to Holder
- Y = The number of 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 (at the date of such calculation)
- B = The Warrant Price per share (as adjusted to the date of such calculation)

1.4 Calculation of FMV. For purposes of the calculation above, the fair market value of one Share shall be the average for the five trading days immediately prior to the date of determination thereof of the last reported sale price regular way on each such day, or, in the case no such sale takes place on any such day, the average of the reported closing bid and asked prices regular way of the shares of Common Stock on such day, in each case as quoted on the New York Stock Exchange, as reported by Bloomberg Markets, or such other principal securities exchange or inter-dealer quotation system on which the shares of Common Stock are then traded.

1.5 Delivery of Shares and New Warrant. Within two (2) business days after Holder exercises this Warrant in the manner set forth in Section 1.2 or Section 1.3 above, the Company shall deliver to Holder the Shares so acquired, provided that such Shares shall be deemed delivered upon the Company’s delivery of evidence of a book-entry or similar position through The Depository Trust & Closing Corporation or any other depository or similar functionary, credited to an account for the benefit of Holder. If this Warrant has not been fully exercised and has not expired, a new warrant representing the Shares not so acquired shall be issued to Holder.

1.6 Treatment of Warrant at Acquisition. In the event of an Acquisition, either (a) Holder shall exercise or convert this Warrant in full (or shall be deemed to so convert pursuant to the immediately following sentence) with respect to all remaining Shares for which the Warrant is then exercisable (including Shares deemed exercisable by virtue of the last sentence of Section 1.1(b)) and such exercise or conversion will be deemed effective immediately prior to the consummation of such Acquisition or (b) if Holder elects in writing not to exercise or convert the Warrant, this Warrant will expire upon the consummation of such Acquisition. The Company shall provide Holder with written

notice of the foregoing (together with such reasonable information as Holder may request in connection with such contemplated Acquisition giving rise to such notice), which is to be delivered to Holder not less than ten (10) days prior to the closing of the proposed Acquisition and, unless the Company receives a notice in writing from Holder that it elects to have the unexercised portion of the Warrant expire, then the unexercised portion of the Warrant shall be deemed to be automatically exercised pursuant to Section 1.3 immediately prior to the Acquisition.

For purposes of this Warrant, “Acquisition” shall mean: (i) the acquisition of the Company by another entity by means of any transaction or series of related transactions to which the Company is a party (including, without limitation, any stock acquisition, reorganization, merger or consolidation, but excluding any sale of stock for capital raising purposes and any transaction effected primarily for purposes of changing the Company’s jurisdiction of incorporation) other than a transaction or series of related transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Company or such other surviving or resulting entity (or if the Company or such other surviving or resulting entity is a wholly-owned subsidiary immediately following such acquisition, its parent), or (ii) a sale, lease or other disposition of all or substantially all of the assets of the Company and its subsidiaries taken as a whole by means of any transaction or series of related transactions, except where such sale, lease or other disposition is to a wholly-owned subsidiary or affiliate of the Company.

1.7 Replacement of Warrant. On receipt 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 this Warrant, upon delivery of an indemnity agreement reasonably satisfactory in form, substance and amount to the Company or, in the case of mutilation, upon surrender and cancellation of this Warrant, the Company at its expense shall, within a reasonable period of time, execute and deliver to Holder, in lieu of this Warrant, a new warrant of like tenor and amount.

ARTICLE 2

ADJUSTMENTS TO THE SHARES AND NOTIFICATION OF CERTAIN EVENTS

2.1 Fractional Shares. No fractional Shares shall be issuable upon exercise of this Warrant and the number of Shares to be issued shall be rounded down to the nearest whole Share. If a fractional share interest arises upon any exercise of this Warrant, the Company shall eliminate such fractional share interest by paying Holder an amount computed by multiplying the fractional interest by the fair market value, calculated as provided in Section 1.4 above, of a full Share.

2.2 Adjustments. Subject to the expiration of this Warrant pursuant to Section 5.1, the number and kind of shares purchasable hereunder and the Warrant Price therefor are subject to adjustment from time to time, as follows:

2.2.1 Merger or Reorganization. If at any time there shall be any reorganization, recapitalization, merger or consolidation (a “Reorganization”) involving the Company (other than an Acquisition which is subject to the provisions of Section 1.6) in which shares of the Company’s stock are converted into or exchanged for securities, cash or other property, then, as a part of such Reorganization, lawful provision shall be made so that the Holder shall thereafter be entitled to receive upon exercise of this Warrant, the kind and amount of securities, cash or other property of the successor corporation resulting from such Reorganization, equivalent in value to that which a holder of the Shares deliverable upon exercise of this Warrant would have been entitled in such Reorganization if the right to purchase the Shares hereunder had been exercised immediately prior to such Reorganization. In any such case, appropriate adjustment (as determined in good faith by the Board of Directors of the successor corporation) shall be made in the application of the provisions of this Warrant with respect to the rights and interests of the Holder after such Reorganization to the end that the provisions of this

Warrant shall be applicable after the event, as near as reasonably may be, in relation to any shares or other securities deliverable after that event upon the exercise of this Warrant.

2.2.2 Reclassification of Shares. 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 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 stock 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 shares.

2.2.3 Subdivisions and Combinations. In the event that the outstanding shares of the Company's Common Stock are subdivided (by stock split, by payment of a stock dividend or otherwise) into a greater number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately increased, and the Warrant Price shall be proportionately decreased, and in the event that the outstanding shares of Common Stock are combined (by reclassification or otherwise) into a lesser number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately decreased, and the Warrant Price shall be proportionately increased.

2.2.4 Notice of Adjustments. Upon any adjustment in accordance with this Section 2.2, the Company shall give notice thereof to the Holder, which notice shall state the event giving rise to the adjustment, the Warrant Price as adjusted and the number of securities or other property purchasable upon the exercise of the rights under this Warrant, setting forth in reasonable detail the method of calculation of each. The Company shall, upon the written request of any Holder, furnish or cause to be furnished to such Holder a certificate setting forth (i) such adjustments, (ii) the Warrant Price at the time in effect and (iii) the number of securities and the amount, if any, of other property that at the time would be received upon exercise of this Warrant.

2.3 Notification of Certain Events. Prior to the Expiration Date, in the event that the Company shall authorize:

2.3.1 the issuance of any dividend or other distribution on the capital stock of the Company (other than (i) dividends or distributions otherwise provided for in Section 2.2.3, or (ii) any repurchases of the Company's Common Stock), whether in cash, property, stock or other securities; or

2.3.2 the voluntary liquidation, dissolution or winding up of the Company,

the Company shall send to the Holder at least ten (10) days prior written notice of the date on which a record shall be taken for any such dividend or distribution specified in clause 2.3.1 or the expected effective date of any such other event specified in clause 2.3.2. The notice provisions set forth in this section may be shortened or waived prospectively or retrospectively by the consent of the Holder.

ARTICLE 3
REPRESENTATIONS AND COVENANTS OF THE COMPANY

3.1 Representations and Warranties. The Company hereby represents and warrants to Holder that all Shares which may be issued upon the exercise of the purchase right represented by 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.

3.2 Reservation of Stock. The Company hereby represents and warrants to Holder that sufficient shares of the Company's Common Stock have been reserved and are available for issuance from its authorized and unissued shares of Common Stock for the purpose of effecting the exercise of this Warrant, and such shares will remain available at all times until the date this Warrant has been exercised in full or, if earlier, the Expiration Date.

ARTICLE 4

INVESTMENT REPRESENTATIONS AND COVENANTS OF HOLDER

With respect to the acquisition of this Warrant and any of the Shares, Holder hereby represents and warrants to, and agrees with, the Company as follows:

4.1 Purchase Entirely for Own Account. This Warrant is issued to Holder in reliance upon Holder's representation to the Company that this Warrant and the 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 Shares.

4.2 Reliance upon Holder's Representations. Holder understands that this Warrant and the 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.

4.3 Accredited Investor Status. Holder represents to the Company that Holder is an Accredited Investor (as defined in the Act).

4.4 Restricted Securities. Holder understands that this Warrant and the 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.

4.5 Restrictions on Sale. Notwithstanding anything to the contrary contained herein, Holder agrees that Holder, together with its affiliates will not sell on any one trading day more than 50,000 Shares obtained from the exercise of the Warrant without the prior written consent of the Company.

ARTICLE 5

MISCELLANEOUS

5.1 Term; Exercise Upon Expiration. Subject to the terms of this Warrant, including Sections 1.1 and 1.6, this Warrant is exercisable in whole or in part, at any time and from time to time on or before the Expiration Date set forth above. The Company agrees that Holder may terminate this Warrant, upon written notice to the Company, at any time in its sole discretion.

5.2 Legends. This Warrant and the Shares shall be imprinted with a legend in substantially the following form:

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 ARTICLE 5 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 AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

5.3 Compliance with Securities Laws on Transfer. This Warrant and the Shares issuable upon exercise of this Warrant may not be transferred or assigned in whole or in part without (i) compliance with applicable federal and state securities laws by the transferor and the transferee, and (ii) if requested by Company, an opinion of counsel, reasonably satisfactory to Company, to the effect that such transfer or assignment is in compliance with applicable federal and state securities laws. The Company may issue stop transfer instructions to its transfer agent in connection with the restrictions in this Section 5.3.

5.4 Transfer Procedure. Subject to the provisions of Section 5.3, Holder may transfer all or part of this Warrant to its affiliates, and such affiliate shall then be entitled to all the rights and bound by all of the obligations of Holder under this Warrant and any related agreements, and the Company shall cooperate fully in ensuring that any stock issued upon exercise of this Warrant is issued in the name of the affiliate that exercises this Warrant. The terms and conditions of this Warrant shall inure to the benefit of, and be binding upon, the Company and the holder hereof and its respective permitted successors and assigns. Any transferee shall be bound by the obligations and restrictions of this Warrant as if such transferee was the original holder hereof.

5.5 Notices. All notices and other communications from the Company to Holder, or vice versa, shall be deemed delivered and effective when given personally or mailed by first-class registered or certified mail, postage prepaid, or sent via a nationally recognized overnight courier service, fee prepaid, or on the first business day after transmission by electronic mail, at such address or electronic mail address as may have been furnished to the Company or Holder, as the case may be, in writing by the Company or such Holder from time to time. Effective upon the receipt of the executed Warrant, all notices to Holder shall be addressed as follows until the Company receives notice of a change of address in connection with a transfer or otherwise:

West Virginia Direct Lending LLC
Attn: Mark Gertzof
227 West Monroe Street, Suite 3225
Chicago, IL 60606
E-mail: mark.gertzof@tcw.com

All notices to the Company shall be addressed as follows:

Quantum Corporation
Attn: Shawn Hall
224 Airport Parkway, Suite 550
San Jose, CA 95510
E-mail: shawn.hall@quantum.com

5.6 Amendments; Waiver. This Warrant and any term hereof may be amended, changed, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement of such amendment, change, waiver, discharge or termination is sought.

5.7 Attorneys' Fees. In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs reasonably incurred in such dispute, including reasonable and documented attorneys' fees.

5.8 Governing Law. This Warrant shall be governed by and construed in accordance with the laws of the State of California, without giving effect to its principles regarding conflicts of law.

5.9 Public Disclosure. The Company shall file a copy of this Warrant with the U.S. Securities and Exchange Commission ("SEC"), within the time periods required by applicable SEC rules and regulations, in order to comply with its obligations under federal securities laws.

5.10 Rights as a Stockholder. No holder of this Warrant, as such, shall be entitled to vote or receive dividends or be deemed the holder of Shares or any other securities of the Company which may at any time be issuable upon the exercise hereof for any purpose, nor shall anything contained herein be construed to confer upon Holder, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to receive notice of meetings, or to receive dividends or subscription rights or otherwise until this Warrant shall have been exercised as provided herein.

5.11 Counterparts; Signatures. This Warrant may be executed in counterparts, all of which together shall constitute one and the same agreement. Any signature page delivered electronically or by facsimile shall be binding to the same extent as an original signature page with regards to any agreement subject to the terms hereof or any amendment thereto.

[signature on following page]

QUANTUM CORPORATION

By: /s/ Fuad Ahmad

Name: Fuad Ahmad

Title: CFO

Accepted and Agreed:

WEST VIRGINIA DIRECT LENDING LLC

By: /s/ Mark Gertzof

Name: Mark Gertzof

Title: Managing Director

[Signature Page to Warrant]

APPENDIX I

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 Holder a new warrant representing the Shares not acquired.

2. 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)

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 ARTICLE 5 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 AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

WARRANT TO PURCHASE STOCK

Company: QUANTUM CORPORATION
a Delaware corporation
Number of Shares: 29,700 shares
Class of Stock: Common Stock
Warrant Price: \$0.01 per share
Issue Date: December 4, 2017
Expiration Date: December 4, 2022

THIS WARRANT TO PURCHASE STOCK (THIS “WARRANT”) CERTIFIES THAT, for good and valuable consideration, the receipt of which is hereby acknowledged, TCW Skyline Lending, L.P. is entitled to purchase the number of fully paid and nonassessable shares of the class of securities (the “Shares”) of QUANTUM CORPORATION (the “Company”) at the Warrant Price, all as set forth above and as adjusted pursuant to the terms of this Warrant, subject to the provisions and upon the terms and conditions set forth in this Warrant. Capitalized terms used herein but not specifically defined herein shall have the meanings ascribed to them in that certain Term Loan Credit and Security Agreement, dated as of October 21, 2016 (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), by and among the Company, the financial institutions from time to time party thereto (collectively, the “Lenders”), the Holder, as Agent for the Lenders, and the other parties thereto.

ARTICLE 1 EXERCISE

1.1 Conditions to Exercise.

(a) This Warrant shall be immediately exercisable for 17,820 shares of the Company’s Common Stock (subject to adjustment as provided herein) at any time until the Expiration Date.

(b) In addition to the shares immediately exercisable under Section 1.1(a) (and subject to the last sentence of this Section 1.1(b)), if, and only if, both (i) EBITDA (as calculated in accordance with generally accepted accounting principles in the United States) of the Company and its Subsidiaries for the 12 month period ending on any of June 30, 2018, September 30, 2018, December 31, 2018 or March 31, 2019 is less than or equal to \$30,000,000 and (ii) the Incremental Delayed Draw Term Loan has not been repaid in full in cash on or prior to March 31, 2019 (the “Additional Vesting Event”), then from March 31, 2019 through the Expiration Date, this Warrant shall be exercisable for an additional 11,880 shares of the Company’s Common Stock (subject to adjustment as provided herein) (such shares, the “Additional Shares”). Furthermore, the Additional Vesting Event shall be deemed to occur immediately prior to an Acquisition if (x) the Additional Vesting Event has not previously occurred and (y) such Acquisition is consummated on or after the date that is one year from the Second Amendment Effective Date but on or prior to March 31, 2019 (for the avoidance of doubt, if an Acquisition is consummated prior to (but not including) the date that is one year from the Second

Amendment Effective Date, then the Warrant will not be exercisable for the Additional Shares and the Warrant will expire as to the Additional Shares upon consummation of the Acquisition).

1.2 Method of Exercise. Holder may exercise any portion of this Warrant that is exercisable by delivering a duly completed and executed Notice of Exercise in substantially the form attached as Appendix I to the principal office of the Company. Unless Holder is exercising the cashless exercise right set forth in Section 1.3, 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 Warrant Price for the Shares being purchased.

1.3 Cashless Exercise Right. In lieu of exercising this Warrant as specified in Section 1.2, 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 Warrant Price pursuant to Section 1.2, elect instead to receive upon such exercise the “net number” of shares of Common Stock determined according to the following formula (a “Cashless Exercise”):

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

Where:

- X = The number of Shares to be issued to Holder
- Y = The number of 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 (at the date of such calculation)
- B = The Warrant Price per share (as adjusted to the date of such calculation)

1.4 Calculation of FMV. For purposes of the calculation above, the fair market value of one Share shall be the average for the five trading days immediately prior to the date of determination thereof of the last reported sale price regular way on each such day, or, in the case no such sale takes place on any such day, the average of the reported closing bid and asked prices regular way of the shares of Common Stock on such day, in each case as quoted on the New York Stock Exchange, as reported by Bloomberg Markets, or such other principal securities exchange or inter-dealer quotation system on which the shares of Common Stock are then traded.

1.5 Delivery of Shares and New Warrant. Within two (2) business days after Holder exercises this Warrant in the manner set forth in Section 1.2 or Section 1.3 above, the Company shall deliver to Holder the Shares so acquired, provided that such Shares shall be deemed delivered upon the Company’s delivery of evidence of a book-entry or similar position through The Depository Trust & Closing Corporation or any other depository or similar functionary, credited to an account for the benefit of Holder. If this Warrant has not been fully exercised and has not expired, a new warrant representing the Shares not so acquired shall be issued to Holder.

1.6 Treatment of Warrant at Acquisition. In the event of an Acquisition, either (a) Holder shall exercise or convert this Warrant in full (or shall be deemed to so convert pursuant to the immediately following sentence) with respect to all remaining Shares for which the Warrant is then exercisable (including Shares deemed exercisable by virtue of the last sentence of Section 1.1(b)) and such exercise or conversion will be deemed effective immediately prior to the consummation of such Acquisition or (b) if Holder elects in writing not to exercise or convert the Warrant, this Warrant will expire upon the consummation of such Acquisition. The Company shall provide Holder with written

notice of the foregoing (together with such reasonable information as Holder may request in connection with such contemplated Acquisition giving rise to such notice), which is to be delivered to Holder not less than ten (10) days prior to the closing of the proposed Acquisition and, unless the Company receives a notice in writing from Holder that it elects to have the unexercised portion of the Warrant expire, then the unexercised portion of the Warrant shall be deemed to be automatically exercised pursuant to Section 1.3 immediately prior to the Acquisition.

For purposes of this Warrant, “Acquisition” shall mean: (i) the acquisition of the Company by another entity by means of any transaction or series of related transactions to which the Company is a party (including, without limitation, any stock acquisition, reorganization, merger or consolidation, but excluding any sale of stock for capital raising purposes and any transaction effected primarily for purposes of changing the Company’s jurisdiction of incorporation) other than a transaction or series of related transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Company or such other surviving or resulting entity (or if the Company or such other surviving or resulting entity is a wholly-owned subsidiary immediately following such acquisition, its parent), or (ii) a sale, lease or other disposition of all or substantially all of the assets of the Company and its subsidiaries taken as a whole by means of any transaction or series of related transactions, except where such sale, lease or other disposition is to a wholly-owned subsidiary or affiliate of the Company.

1.7 Replacement of Warrant. On receipt 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 this Warrant, upon delivery of an indemnity agreement reasonably satisfactory in form, substance and amount to the Company or, in the case of mutilation, upon surrender and cancellation of this Warrant, the Company at its expense shall, within a reasonable period of time, execute and deliver to Holder, in lieu of this Warrant, a new warrant of like tenor and amount.

ARTICLE 2

ADJUSTMENTS TO THE SHARES AND NOTIFICATION OF CERTAIN EVENTS

2.1 Fractional Shares. No fractional Shares shall be issuable upon exercise of this Warrant and the number of Shares to be issued shall be rounded down to the nearest whole Share. If a fractional share interest arises upon any exercise of this Warrant, the Company shall eliminate such fractional share interest by paying Holder an amount computed by multiplying the fractional interest by the fair market value, calculated as provided in Section 1.4 above, of a full Share.

2.2 Adjustments. Subject to the expiration of this Warrant pursuant to Section 5.1, the number and kind of shares purchasable hereunder and the Warrant Price therefor are subject to adjustment from time to time, as follows:

2.2.1 Merger or Reorganization. If at any time there shall be any reorganization, recapitalization, merger or consolidation (a “Reorganization”) involving the Company (other than an Acquisition which is subject to the provisions of Section 1.6) in which shares of the Company’s stock are converted into or exchanged for securities, cash or other property, then, as a part of such Reorganization, lawful provision shall be made so that the Holder shall thereafter be entitled to receive upon exercise of this Warrant, the kind and amount of securities, cash or other property of the successor corporation resulting from such Reorganization, equivalent in value to that which a holder of the Shares deliverable upon exercise of this Warrant would have been entitled in such Reorganization if the right to purchase the Shares hereunder had been exercised immediately prior to such Reorganization. In any such case, appropriate adjustment (as determined in good faith by the Board of Directors of the successor corporation) shall be made in the application of the provisions of this Warrant with respect to the rights and interests of the Holder after such Reorganization to the end that the provisions of this

Warrant shall be applicable after the event, as near as reasonably may be, in relation to any shares or other securities deliverable after that event upon the exercise of this Warrant.

2.2.2 Reclassification of Shares. 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 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 stock 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 shares.

2.2.3 Subdivisions and Combinations. In the event that the outstanding shares of the Company's Common Stock are subdivided (by stock split, by payment of a stock dividend or otherwise) into a greater number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately increased, and the Warrant Price shall be proportionately decreased, and in the event that the outstanding shares of Common Stock are combined (by reclassification or otherwise) into a lesser number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately decreased, and the Warrant Price shall be proportionately increased.

2.2.4 Notice of Adjustments. Upon any adjustment in accordance with this Section 2.2, the Company shall give notice thereof to the Holder, which notice shall state the event giving rise to the adjustment, the Warrant Price as adjusted and the number of securities or other property purchasable upon the exercise of the rights under this Warrant, setting forth in reasonable detail the method of calculation of each. The Company shall, upon the written request of any Holder, furnish or cause to be furnished to such Holder a certificate setting forth (i) such adjustments, (ii) the Warrant Price at the time in effect and (iii) the number of securities and the amount, if any, of other property that at the time would be received upon exercise of this Warrant.

2.3 Notification of Certain Events. Prior to the Expiration Date, in the event that the Company shall authorize:

2.3.1 the issuance of any dividend or other distribution on the capital stock of the Company (other than (i) dividends or distributions otherwise provided for in Section 2.2.3, or (ii) any repurchases of the Company's Common Stock), whether in cash, property, stock or other securities; or

2.3.2 the voluntary liquidation, dissolution or winding up of the Company,

the Company shall send to the Holder at least ten (10) days prior written notice of the date on which a record shall be taken for any such dividend or distribution specified in clause 2.3.1 or the expected effective date of any such other event specified in clause 2.3.2. The notice provisions set forth in this section may be shortened or waived prospectively or retrospectively by the consent of the Holder.

ARTICLE 3 REPRESENTATIONS AND COVENANTS OF THE COMPANY

3.1 Representations and Warranties. The Company hereby represents and warrants to Holder that all Shares which may be issued upon the exercise of the purchase right represented by 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.

3.2 Reservation of Stock. The Company hereby represents and warrants to Holder that sufficient shares of the Company's Common Stock have been reserved and are available for issuance from its authorized and unissued shares of Common Stock for the purpose of effecting the exercise of this Warrant, and such shares will remain available at all times until the date this Warrant has been exercised in full or, if earlier, the Expiration Date.

ARTICLE 4
INVESTMENT REPRESENTATIONS AND COVENANTS OF HOLDER

With respect to the acquisition of this Warrant and any of the Shares, Holder hereby represents and warrants to, and agrees with, the Company as follows:

4.1 Purchase Entirely for Own Account. This Warrant is issued to Holder in reliance upon Holder's representation to the Company that this Warrant and the 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 Shares.

4.2 Reliance upon Holder's Representations. Holder understands that this Warrant and the 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.

4.3 Accredited Investor Status. Holder represents to the Company that Holder is an Accredited Investor (as defined in the Act).

4.4 Restricted Securities. Holder understands that this Warrant and the 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.

4.5 Restrictions on Sale. Notwithstanding anything to the contrary contained herein, Holder agrees that Holder, together with its affiliates will not sell on any one trading day more than 50,000 Shares obtained from the exercise of the Warrant without the prior written consent of the Company.

ARTICLE 5
MISCELLANEOUS

5.1 Term; Exercise Upon Expiration. Subject to the terms of this Warrant, including Sections 1.1 and 1.6, this Warrant is exercisable in whole or in part, at any time and from time to time on or before the Expiration Date set forth above. The Company agrees that Holder may terminate this Warrant, upon written notice to the Company, at any time in its sole discretion.

5.2 Legends. This Warrant and the Shares shall be imprinted with a legend in substantially the following form:

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 ARTICLE 5 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 AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

5.3 Compliance with Securities Laws on Transfer. This Warrant and the Shares issuable upon exercise of this Warrant may not be transferred or assigned in whole or in part without (i) compliance with applicable federal and state securities laws by the transferor and the transferee, and (ii) if requested by Company, an opinion of counsel, reasonably satisfactory to Company, to the effect that such transfer or assignment is in compliance with applicable federal and state securities laws. The Company may issue stop transfer instructions to its transfer agent in connection with the restrictions in this Section 5.3.

5.4 Transfer Procedure. Subject to the provisions of Section 5.3, Holder may transfer all or part of this Warrant to its affiliates, and such affiliate shall then be entitled to all the rights and bound by all of the obligations of Holder under this Warrant and any related agreements, and the Company shall cooperate fully in ensuring that any stock issued upon exercise of this Warrant is issued in the name of the affiliate that exercises this Warrant. The terms and conditions of this Warrant shall inure to the benefit of, and be binding upon, the Company and the holder hereof and its respective permitted successors and assigns. Any transferee shall be bound by the obligations and restrictions of this Warrant as if such transferee was the original holder hereof.

5.5 Notices. All notices and other communications from the Company to Holder, or vice versa, shall be deemed delivered and effective when given personally or mailed by first-class registered or certified mail, postage prepaid, or sent via a nationally recognized overnight courier service, fee prepaid, or on the first business day after transmission by electronic mail, at such address or electronic mail address as may have been furnished to the Company or Holder, as the case may be, in writing by the Company or such Holder from time to time. Effective upon the receipt of the executed Warrant, all notices to Holder shall be addressed as follows until the Company receives notice of a change of address in connection with a transfer or otherwise:

TCW Skyline Lending, L.P.
Attn: Mark Gertzof
227 West Monroe Street, Suite 3225
Chicago, IL 60606
E-mail: mark.gertzof@tcw.com

All notices to the Company shall be addressed as follows:

Quantum Corporation
Attn: Shawn Hall
224 Airport Parkway, Suite 550
San Jose, CA 95510
E-mail: shawn.hall@quantum.com

5.6 Amendments; Waiver. This Warrant and any term hereof may be amended, changed, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement of such amendment, change, waiver, discharge or termination is sought.

5.7 Attorneys' Fees. In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs reasonably incurred in such dispute, including reasonable and documented attorneys' fees.

5.8 Governing Law. This Warrant shall be governed by and construed in accordance with the laws of the State of California, without giving effect to its principles regarding conflicts of law.

5.9 Public Disclosure. The Company shall file a copy of this Warrant with the U.S. Securities and Exchange Commission ("SEC"), within the time periods required by applicable SEC rules and regulations, in order to comply with its obligations under federal securities laws.

5.10 Rights as a Stockholder. No holder of this Warrant, as such, shall be entitled to vote or receive dividends or be deemed the holder of Shares or any other securities of the Company which may at any time be issuable upon the exercise hereof for any purpose, nor shall anything contained herein be construed to confer upon Holder, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to receive notice of meetings, or to receive dividends or subscription rights or otherwise until this Warrant shall have been exercised as provided herein.

5.11 Counterparts; Signatures. This Warrant may be executed in counterparts, all of which together shall constitute one and the same agreement. Any signature page delivered electronically or by facsimile shall be binding to the same extent as an original signature page with regards to any agreement subject to the terms hereof or any amendment thereto.

[signature on following page]

QUANTUM CORPORATION

By: /s/ Fuad Ahmad

Name: Fuad Ahmad

Title: CFO

Accepted and Agreed:

TCW SKYLINE LENDING, L.P.

By: /s/ Mark Gertzof

Name: Mark Gertzof

Title: Managing Director

APPENDIX I

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 Holder a new warrant representing the Shares not acquired.

2. 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)

AMENDMENT NO. 1 TO WARRANT TO PURCHASE STOCK

THIS AMENDMENT NO. 1 TO WARRANT TO PURCHASE STOCK is made as of February 14, 2018 (the "Amendment"), by and between QUANTUM CORPORATION, a Delaware corporation (the "Company") and TCW DIRECT LENDING, LLC ("Holder").

R E C I T A L S:

A. The Company has previously issued that certain Warrant to Purchase Stock, dated December 14, 2017, to Holder (the "Warrant"), which Warrant was immediately exercisable for certain shares of common stock of the Company (all of which have been exercised) and was exercisable for additional shares of common stock of the Company only if certain conditions were met (the "Additional Shares").

B. In connection with that certain Second Amendment to Fee Letter, dated as February 14, 2018 (the "Fee Letter Amendment"), executed in connection with amendments being made to that certain Term Loan Credit and Security Agreement, dated as of October 21, 2016, by and among the Company, as borrower, TCW Asset Management Company, LLC, as Agent, as certain other parties thereto, the Holder and the Company desire to amend the Warrant in the manner described in Section 2 of the Fee Letter Amendment to cause the Warrant to become immediately exercisable for the Additional Shares.

NOW, THEREFORE, the parties hereto, in consideration of their mutual covenants and agreements hereinafter set forth and intending to be legally bound hereby, covenant and agree as follows:

1. Definitions. Defined terms used herein unless otherwise defined herein shall have the meanings ascribed to them in the Warrant.

2. Amendment of Warrant. The Warrant is hereby amended as follows:

(a) In order to reflect the acceleration of vesting of the Additional Shares under the Warrant, Section 1.1(b) of the Warrant is hereby replaced and restated in its entirety with the following language:

"In addition to the shares immediately exercisable under Section 1.1(a), this Warrant shall also be immediately exercisable for an additional 108,051 shares of the Company's Common Stock (subject to adjustment as provided herein) (such shares, the "Additional Shares")."

(b) Section 1.6 of the Warrant is hereby amended by deleting the text "(including Shares deemed exercisable by virtue of the last sentence of Section 1.1(b))" from clause (a) of such Section.

3. Force and Effect. The Company reconfirms, restates, and ratifies the Warrant and all of the representations and warranties contained therein. Except as expressly provided for herein, the parties hereto do not intend to amend or otherwise alter any of the provisions of the Warrant.

4. References in the Warrant. All references in the Warrant to "this Warrant" or similar language shall be deemed to mean the Warrant as amended by this Amendment.

5. Complete Agreement. This Amendment constitutes the entire agreement of the parties hereto with respect to the amendment of the Warrant and supersedes and preempts all other prior oral or written understandings, agreements or representations among the parties relating to the same. This Amendment may not be modified except in accordance with Section 5.6 of the Warrant.

6. Governing Law. This Amendment shall be deemed to be a contract under the laws of the State of California and for all purposes shall be governed by and construed and enforced in accordance with the internal laws of the State of California without regard to its conflict of laws principles.

7. Counterparts. This Amendment may be signed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[SIGNATURES BEGIN ON NEXT PAGE]

IN WITNESS WHEREOF and intending to be legally bound hereby, the parties hereto have executed this Amendment No. 1 to Warrant to Purchase Stock as of the date first above written.

QUANTUM CORPORATION

By: /s/ Fuad Ahmad
Name: Fuad Ahmad
Title: Chief Financial Officer

TCW DIRECT LENDING, LLC

By: TCW Asset Management Company LLC, its
Investment Advisor

By: /s/ Suzanne Grosso
Name: Suzanne Grosso
Title: Managing Director

AMENDMENT NO. 1 TO WARRANT TO PURCHASE STOCK

THIS AMENDMENT NO. 1 TO WARRANT TO PURCHASE STOCK is made as of February 14, 2018 (the "Amendment"), by and between QUANTUM CORPORATION, a Delaware corporation (the "Company") and WEST VIRGINIA DIRECT LENDING LLC ("Holder").

R E C I T A L S:

A. The Company has previously issued that certain Warrant to Purchase Stock, dated December 14, 2017, to Holder (the "Warrant"), which Warrant was immediately exercisable for certain shares of common stock of the Company (all of which have been exercised) and was exercisable for additional shares of common stock of the Company only if certain conditions were met (the "Additional Shares").

B. In connection with that certain Second Amendment to Fee Letter, dated as February 14, 2018 (the "Fee Letter Amendment"), executed in connection with amendments being made to that certain Term Loan Credit and Security Agreement, dated as of October 21, 2016, by and among the Company, as borrower, TCW Asset Management Company, LLC, as Agent, as certain other parties thereto, the Holder and the Company desire to amend the Warrant in the manner described in Section 2 of the Fee Letter Amendment to cause the Warrant to become immediately exercisable for the Additional Shares.

NOW, THEREFORE, the parties hereto, in consideration of their mutual covenants and agreements hereinafter set forth and intending to be legally bound hereby, covenant and agree as follows:

1. Definitions. Defined terms used herein unless otherwise defined herein shall have the meanings ascribed to them in the Warrant.

2. Amendment of Warrant. The Warrant is hereby amended as follows:

(a) In order to reflect the acceleration of vesting of the Additional Shares under the Warrant, Section 1.1(b) of the Warrant is hereby replaced and restated in its entirety with the following language:

"In addition to the shares immediately exercisable under Section 1.1(a), this Warrant shall also be immediately exercisable for an additional 12,069 shares of the Company's Common Stock (subject to adjustment as provided herein) (such shares, the "Additional Shares")."

(b) Section 1.6 of the Warrant is hereby amended by deleting the text "(including Shares deemed exercisable by virtue of the last sentence of Section 1.1(b))" from clause (a) of such Section.

3. Force and Effect. The Company reconfirms, restates, and ratifies the Warrant and all of the representations and warranties contained therein. Except as expressly provided for herein, the parties hereto do not intend to amend or otherwise alter any of the provisions of the Warrant.

4. References in the Warrant. All references in the Warrant to "this Warrant" or similar language shall be deemed to mean the Warrant as amended by this Amendment.

5. Complete Agreement. This Amendment constitutes the entire agreement of the parties hereto with respect to the amendment of the Warrant and supersedes and preempts all other prior oral or written understandings, agreements or representations among the parties relating to the same. This Amendment may not be modified except in accordance with Section 5.6 of the Warrant.

6. Governing Law. This Amendment shall be deemed to be a contract under the laws of the State of California and for all purposes shall be governed by and construed and enforced in accordance with the internal laws of the State of California without regard to its conflict of laws principles.

7. Counterparts. This Amendment may be signed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[SIGNATURES BEGIN ON NEXT PAGE]

IN WITNESS WHEREOF and intending to be legally bound hereby, the parties hereto have executed this Amendment No. 1 to Warrant to Purchase Stock as of the date first above written.

QUANTUM CORPORATION

By: /s/ Fuad Ahmad
Name: Fuad Ahmad
Title: Chief Financial Officer

WEST VIRGINIA DIRECT LENDING LLC
By: TCW Asset Management Company LLC, its
Investment Adviser

By: /s/ Suzanne Grosso
Name: Suzanne Grosso
Title: Managing Director

AMENDMENT NO. 1 TO WARRANT TO PURCHASE STOCK

THIS AMENDMENT NO. 1 TO WARRANT TO PURCHASE STOCK is made as of February 14, 2018 (the "Amendment"), by and between QUANTUM CORPORATION, a Delaware corporation (the "Company") and TCW SKYLINE LENDING, L.P. ("Holder").

R E C I T A L S:

A. The Company has previously issued that certain Warrant to Purchase Stock, dated December 14, 2017, to Holder (the "Warrant"), which Warrant was immediately exercisable for certain shares of common stock of the Company (all of which have been exercised) and was exercisable for additional shares of common stock of the Company only if certain conditions were met (the "Additional Shares").

B. In connection with that certain Second Amendment to Fee Letter, dated as February 14, 2018 (the "Fee Letter Amendment"), executed in connection with amendments being made to that certain Term Loan Credit and Security Agreement, dated as of October 21, 2016, by and among the Company, as borrower, TCW Asset Management Company, LLC, as Agent, as certain other parties thereto, the Holder and the Company desire to amend the Warrant in the manner described in Section 2 of the Fee Letter Amendment to cause the Warrant to become immediately exercisable for the Additional Shares.

NOW, THEREFORE, the parties hereto, in consideration of their mutual covenants and agreements hereinafter set forth and intending to be legally bound hereby, covenant and agree as follows:

1. Definitions. Defined terms used herein unless otherwise defined herein shall have the meanings ascribed to them in the Warrant.

2. Amendment of Warrant. The Warrant is hereby amended as follows:

(a) In order to reflect the acceleration of vesting of the Additional Shares under the Warrant, Section 1.1(b) of the Warrant is hereby replaced and restated in its entirety with the following language:

"In addition to the shares immediately exercisable under Section 1.1(a), this Warrant shall also be immediately exercisable for an additional 11,880 shares of the Company's Common Stock (subject to adjustment as provided herein) (such shares, the "Additional Shares")."

(b) Section 1.6 of the Warrant is hereby amended by deleting the text "(including Shares deemed exercisable by virtue of the last sentence of Section 1.1(b))" from clause (a) of such Section.

3. Force and Effect. The Company reconfirms, restates, and ratifies the Warrant and all of the representations and warranties contained therein. Except as expressly

provided for herein, the parties hereto do not intend to amend or otherwise alter any of the provisions of the Warrant.

4. References in the Warrant. All references in the Warrant to "this Warrant" or similar language shall be deemed to mean the Warrant as amended by this Amendment.

5. Complete Agreement. This Amendment constitutes the entire agreement of the parties hereto with respect to the amendment of the Warrant and supersedes and preempts all other prior oral or written understandings, agreements or representations among the parties relating to the same. This Amendment may not be modified except in accordance with Section 5.6 of the Warrant.

6. Governing Law. This Amendment shall be deemed to be a contract under the laws of the State of California and for all purposes shall be governed by and construed and enforced in accordance with the internal laws of the State of California without regard to its conflict of laws principles.

7. Counterparts. This Amendment may be signed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[SIGNATURES BEGIN ON NEXT PAGE]

IN WITNESS WHEREOF and intending to be legally bound hereby, the parties hereto have executed this Amendment No. 1 to Warrant to Purchase Stock as of the date first above written.

QUANTUM CORPORATION

By: /s/ Fuad Ahmad

Name: Fuad Ahmad

Title: Chief Financial Officer

TCW SKYLINE LENDING, L.P.

By: TCW Asset Management Company LLC, its
Investment Advisor

By: /s/ Suzanne Grosso

Name: Suzanne Grosso

Title: Managing Director

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 ARTICLE 5 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 AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

WARRANT TO PURCHASE STOCK

Company: QUANTUM CORPORATION
a Delaware corporation
Number of Shares: 122,786 shares
Class of Stock: Common Stock
Warrant Price: \$0.01 per share
Issue Date: February 14, 2018
Expiration Date: February 14, 2023

THIS WARRANT TO PURCHASE STOCK (THIS “WARRANT”) CERTIFIES THAT, for good and valuable consideration, the receipt of which is hereby acknowledged, TCW Direct Lending, LLC is entitled to purchase the number of fully paid and nonassessable shares of the class of securities (the “Shares”) of QUANTUM CORPORATION (the “Company”) at the Warrant Price, all as set forth above and as adjusted pursuant to the terms of this Warrant, subject to the provisions and upon the terms and conditions set forth in this Warrant. Capitalized terms used herein but not specifically defined herein shall have the meanings ascribed to them in that certain Term Loan Credit and Security Agreement, dated as of October 21, 2016 (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), by and among the Company, the financial institutions from time to time party thereto (collectively, the “Lenders”), the Holder, as Agent for the Lenders, and the other parties thereto.

ARTICLE 1 EXERCISE

1.1 Conditions to Exercise.

(a) This Warrant shall be immediately exercisable for 61,393 shares of the Company’s Common Stock (subject to adjustment as provided herein) at any time until the Expiration Date.

(b) In addition to the shares immediately exercisable under Section 1.1(a) (and subject to the last sentence of this Section 1.1(b)), if, and only if, an Additional Vesting Event occurs, then from the date of the Additional Vesting Event through the Expiration Date, this Warrant shall be exercisable for an additional 61,393 shares of the Company’s Common Stock (subject to adjustment as provided herein) (such shares, the “Additional Shares”). For purposes of this Warrant, “Additional Vesting Event” means either (A) an Event of Default occurs under the Credit Agreement following the Third Amendment Effective Date or (B) as of March 30, 2019, unless the Company (x) has received by such date at least \$25,000,000 in Net Cash Proceeds from the issuance of Qualified Equity Interests during the period from and after the Third Amendment Effective Date and (y) the financial statements delivered under Section 9.8 of the Credit Agreement with respect to the fiscal quarter ending March 31, 2019 demonstrate that the Company and its Subsidiaries, on a consolidated basis, are in compliance with each of the financial covenants set forth in Section 6.5 of the Credit Agreement (as in effect immediately prior to the Third Amendment Effective Date) for the four (4) fiscal

quarter period then ended; provided that for purposes of determining compliance with the financial covenants set forth in Section 6.5 of the Credit Agreement (as in effect immediately prior to the Third Amendment Effective Date) for purposes of this clause (y), EBITDA shall be calculated using the respective defined term in the Credit Agreement, but without giving effect to clause (c)(xviii) of the definition of EBITDA set forth in the Credit Agreement. Furthermore, an Additional Vesting Event shall be deemed to occur immediately prior to an Acquisition if (x) an Additional Vesting Event has not previously occurred and (y) such Acquisition is consummated on or after November 16, 2018 but on or prior to March 30, 2019 (for the avoidance of doubt, if an Acquisition is consummated prior to (but not including) November 16, 2018, then the Warrant will not be exercisable for the Additional Shares and the Warrant will expire as to the Additional Shares upon consummation of the Acquisition).

1.2 Method of Exercise. Holder may exercise any portion of this Warrant that is exercisable by delivering a duly completed and executed Notice of Exercise in substantially the form attached as Appendix I to the principal office of the Company. Unless Holder is exercising the cashless exercise right set forth in Section 1.3, 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 Warrant Price for the Shares being purchased. Notwithstanding the foregoing, if the Warrant is being exercised at a given time for all portions other than the Additional Shares, then the Notice of Exercise may be delivered in the form of Appendix I-A.

1.3 Cashless Exercise Right. In lieu of exercising this Warrant as specified in Section 1.2, 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 Warrant Price pursuant to Section 1.2, elect instead to receive upon such exercise the “net number” of shares of Common Stock determined according to the following formula (a “Cashless Exercise”):

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

Where:

- X = The number of Shares to be issued to Holder
- Y = The number of 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 (at the date of such calculation)
- B = The Warrant Price per share (as adjusted to the date of such calculation)

1.4 Calculation of FMV. For purposes of the calculation above, the fair market value of one Share shall be the average for the five trading days immediately prior to the date of determination thereof of the last reported sale price regular way on each such day, or, in the case no such sale takes place on any such day, the average of the reported closing bid and asked prices regular way of the shares of Common Stock on such day, in each case as quoted on the New York Stock Exchange, as reported by Bloomberg Markets, or such other principal securities exchange or inter-dealer quotation system on which the shares of Common Stock are then traded.

1.5 Delivery of Shares and New Warrant. Within two (2) business days after Holder exercises this Warrant in the manner set forth in Section 1.2 or Section 1.3 above, the Company shall deliver to Holder the Shares so acquired, provided that such Shares shall be deemed delivered upon the Company’s delivery of evidence of a book-entry or

similar position through The Depository Trust & Closing Corporation or any other depository or similar functionary, credited to an account for the benefit of Holder. If this Warrant has not been fully exercised and has not expired, then unless otherwise set forth in the Notice of Exercise a new warrant representing the Shares not so acquired shall be issued to Holder.

1.6 Treatment of Warrant at Acquisition. In the event of an Acquisition, either (a) Holder shall exercise or convert this Warrant in full (or shall be deemed to so convert pursuant to the immediately following sentence) with respect to all remaining Shares for which the Warrant is then exercisable (including Shares deemed exercisable by virtue of the last sentence of Section 1.1(b)) and such exercise or conversion will be deemed effective immediately prior to the consummation of such Acquisition or (b) if Holder elects in writing not to exercise or convert the Warrant, this Warrant will expire upon the consummation of such Acquisition. The Company shall provide Holder with written notice of the foregoing (together with such reasonable information as Holder may request in connection with such contemplated Acquisition giving rise to such notice), which is to be delivered to Holder not less than ten (10) days prior to the closing of the proposed Acquisition and, unless the Company receives a notice in writing from Holder that it elects to have the unexercised portion of the Warrant expire, then the unexercised portion of the Warrant shall be deemed to be automatically exercised pursuant to Section 1.3 immediately prior to the Acquisition.

For purposes of this Warrant, “Acquisition” shall mean: (i) the acquisition of the Company by another entity by means of any transaction or series of related transactions to which the Company is a party (including, without limitation, any stock acquisition, reorganization, merger or consolidation, but excluding any sale of stock for capital raising purposes and any transaction effected primarily for purposes of changing the Company’s jurisdiction of incorporation) other than a transaction or series of related transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Company or such other surviving or resulting entity (or if the Company or such other surviving or resulting entity is a wholly-owned subsidiary immediately following such acquisition, its parent), or (ii) a sale, lease or other disposition of all or substantially all of the assets of the Company and its subsidiaries taken as a whole by means of any transaction or series of related transactions, except where such sale, lease or other disposition is to a wholly-owned subsidiary or affiliate of the Company.

1.7 Replacement of Warrant. On receipt 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 this Warrant, upon delivery of an indemnity agreement reasonably satisfactory in form, substance and amount to the Company or, in the case of mutilation, upon surrender and cancellation of this Warrant, the Company at its expense shall, within a reasonable period of time, execute and deliver to Holder, in lieu of this Warrant, a new warrant of like tenor and amount.

ARTICLE 2

ADJUSTMENTS TO THE SHARES AND NOTIFICATION OF CERTAIN EVENTS

2.1 Fractional Shares. No fractional Shares shall be issuable upon exercise of this Warrant and the number of Shares to be issued shall be rounded down to the nearest whole Share. If a fractional share interest arises upon any exercise of this Warrant, the Company shall eliminate such fractional share interest by paying Holder an amount computed by multiplying the fractional interest by the fair market value, calculated as provided in Section 1.4 above, of a full Share.

2.2 Adjustments. Subject to the expiration of this Warrant pursuant to Section 5.1, the number and kind of shares purchasable hereunder and the Warrant Price therefor are subject to adjustment from time to time, as follows:

2.2.1 Merger or Reorganization. If at any time there shall be any reorganization, recapitalization, merger or consolidation (a "Reorganization") involving the Company (other than an Acquisition which is subject to the provisions of Section 1.6) in which shares of the Company's stock are converted into or exchanged for securities, cash or other property, then, as a part of such Reorganization, lawful provision shall be made so that the Holder shall thereafter be entitled to receive upon exercise of this Warrant, the kind and amount of securities, cash or other property of the successor corporation resulting from such Reorganization, equivalent in value to that which a holder of the Shares deliverable upon exercise of this Warrant would have been entitled in such Reorganization if the right to purchase the Shares hereunder had been exercised immediately prior to such Reorganization. In any such case, appropriate adjustment (as determined in good faith by the Board of Directors of the successor corporation) shall be made in the application of the provisions of this Warrant with respect to the rights and interests of the Holder after such Reorganization to the end that the provisions of this Warrant shall be applicable after the event, as near as reasonably may be, in relation to any shares or other securities deliverable after that event upon the exercise of this Warrant.

2.2.2 Reclassification of Shares. 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 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 stock 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 shares.

2.2.3 Subdivisions and Combinations. In the event that the outstanding shares of the Company's Common Stock are subdivided (by stock split, by payment of a stock dividend or otherwise) into a greater number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately increased, and the Warrant Price shall be proportionately decreased, and in the event that the outstanding shares of Common Stock are combined (by reclassification or otherwise) into a lesser number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately decreased, and the Warrant Price shall be proportionately increased.

2.2.4 Notice of Adjustments. Upon any adjustment in accordance with this Section 2.2, the Company shall give notice thereof to the Holder, which notice shall state the event giving rise to the adjustment, the Warrant Price as adjusted and the number of securities or other property purchasable upon the exercise of the rights under this Warrant, setting forth in reasonable detail the method of calculation of each. The Company shall, upon the written request of any Holder, furnish or cause to be furnished to such Holder a certificate setting forth (i) such adjustments, (ii) the Warrant Price at the time in effect and (iii) the number of securities and the amount, if any, of other property that at the time would be received upon exercise of this Warrant.

2.3 Notification of Certain Events. Prior to the Expiration Date, in the event that the Company shall authorize:

2.3.1 the issuance of any dividend or other distribution on the capital stock of the Company (other than (i) dividends or distributions otherwise provided for in Section 2.2.3, or (ii) any repurchases of the Company's Common Stock), whether in cash, property, stock or other securities; or

2.3.2 the voluntary liquidation, dissolution or winding up of the Company,

the Company shall send to the Holder at least ten (10) days prior written notice of the date on which a record shall be taken for any such dividend or distribution specified in clause 2.3.1 or the expected effective date of any such other event specified in clause 2.3.2. The notice provisions set forth in this section may be shortened or waived prospectively or retrospectively by the consent of the Holder.

ARTICLE 3
REPRESENTATIONS AND COVENANTS OF THE COMPANY

3.1 Representations and Warranties. The Company hereby represents and warrants to Holder that all Shares which may be issued upon the exercise of the purchase right represented by 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.

3.2 Reservation of Stock. The Company hereby represents and warrants to Holder that sufficient shares of the Company's Common Stock have been reserved and are available for issuance from its authorized and unissued shares of Common Stock for the purpose of effecting the exercise of this Warrant, and such shares will remain available at all times until the date this Warrant has been exercised in full or, if earlier, the Expiration Date.

ARTICLE 4
INVESTMENT REPRESENTATIONS AND COVENANTS OF HOLDER

With respect to the acquisition of this Warrant and any of the Shares, Holder hereby represents and warrants to, and agrees with, the Company as follows:

4.1 Purchase Entirely for Own Account. This Warrant is issued to Holder in reliance upon Holder's representation to the Company that this Warrant and the 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 Shares.

4.2 Reliance upon Holder's Representations. Holder understands that this Warrant and the 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.

4.3 Accredited Investor Status. Holder represents to the Company that Holder is an Accredited Investor (as defined in the Act).

4.4 Restricted Securities. Holder understands that this Warrant and the 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.

4.5 Restrictions on Sale. Notwithstanding anything to the contrary contained herein, Holder agrees that Holder, together with its affiliates will not sell on any one trading day more than 50,000 Shares obtained from the exercise of this Warrant or other warrants issued on the same issuance date as this Warrant without the prior written consent of the Company.

ARTICLE 5
MISCELLANEOUS

5.1 Term; Exercise Upon Expiration. Subject to the terms of this Warrant, including Sections 1.1 and 1.6, this Warrant is exercisable in whole or in part, at any time and from time to time on or before the Expiration Date set forth above. The Company agrees that Holder may terminate this Warrant, upon written notice to the Company, at any time in its sole discretion.

5.2 Legends. This Warrant and the Shares shall be imprinted with a legend in substantially the following form:

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 ARTICLE 5 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 AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

5.3 Compliance with Securities Laws on Transfer. This Warrant and the Shares issuable upon exercise of this Warrant may not be transferred or assigned in whole or in part without (i) compliance with applicable federal and state securities laws by the transferor and the transferee, and (ii) if requested by Company, an opinion of counsel, reasonably satisfactory to Company, to the effect that such transfer or assignment is in compliance with applicable federal and state securities laws. The Company may issue stop transfer instructions to its transfer agent in connection with the restrictions in this Section 5.3.

5.4 Transfer Procedure. Subject to the provisions of Section 5.3, Holder may transfer all or part of this Warrant to its affiliates, and such affiliate shall then be entitled to all the rights and bound by all of the obligations of Holder under this Warrant and any related agreements, and the Company shall cooperate fully in ensuring that any stock issued upon exercise of this Warrant is issued in the name of the affiliate that exercises this Warrant. The terms and conditions of this Warrant shall inure to the benefit of, and be binding upon, the Company and the holder hereof and its respective permitted successors and assigns. Any transferee shall be bound by the obligations and restrictions of this Warrant as if such transferee was the original holder hereof.

5.5 Notices. All notices and other communications from the Company to Holder, or vice versa, shall be deemed delivered and effective when given personally or mailed by first-class registered or certified mail, postage prepaid, or sent via a nationally recognized overnight courier service, fee prepaid, or on the first business day after transmission by electronic mail, at such address or electronic mail address as may have been furnished to the Company or Holder, as the case may be, in writing by the Company or such Holder from time to time. Effective upon the receipt of the executed Warrant, all notices to Holder shall be addressed as follows until the Company receives notice of a change of address in connection with a transfer or otherwise:

TCW Direct Lending, LLC
Attn: Mark Gertzof
227 West Monroe Street, Suite 3225
Chicago, IL 60606
E-mail: mark.gertzof@tcw.com

All notices to the Company shall be addressed as follows:

Quantum Corporation
Attn: Shawn Hall
224 Airport Parkway, Suite 550
San Jose, CA 95510
E-mail: shawn.hall@quantum.com

5.6 Amendments: Waiver. This Warrant and any term hereof may be amended, changed, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement of such amendment, change, waiver, discharge or termination is sought.

5.7 Attorneys' Fees. In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs reasonably incurred in such dispute, including reasonable and documented attorneys' fees.

5.8 Governing Law. This Warrant shall be governed by and construed in accordance with the laws of the State of California, without giving effect to its principles regarding conflicts of law.

5.9 Public Disclosure. The Company shall file a copy of this Warrant with the U.S. Securities and Exchange Commission ("SEC"), within the time periods required by applicable SEC rules and regulations, in order to comply with its obligations under federal securities laws.

5.10 Rights as a Stockholder. No holder of this Warrant, as such, shall be entitled to vote or receive dividends or be deemed the holder of Shares or any other securities of the Company which may at any time be issuable upon the exercise hereof for any purpose, nor shall anything contained herein be construed to confer upon Holder, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to receive notice of meetings, or to receive dividends or subscription rights or otherwise until this Warrant shall have been exercised as provided herein.

5.11 Counterparts: Signatures. This Warrant may be executed in counterparts, all of which together shall constitute one and the same agreement. Any signature page delivered electronically or by facsimile shall be binding to the same extent as an original signature page with regards to any agreement subject to the terms hereof or any amendment thereto.

[signature on following page]

QUANTUM CORPORATION

By: /s/ Fuad Ahmad

Name: Fuad Ahmad

Title: Chief Financial Officer

Accepted and Agreed:

TCW DIRECT LENDING, LLC

By: /s/ Mark Gertzof

Name: Mark Gertzof

Title: Authorized Officer

APPENDIX I

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 Holder a new warrant representing the Shares not acquired.

2. **[IF APPLICABLE - The undersigned elects to make a Cashless Exercise (as such term is defined in the Warrant) in the manner detailed in Section 1.3 of the Warrant.]**

3. Please issue said shares **[IF APPLICABLE - (taking into account the Cashless Exercise)]** in the name of the undersigned or in such other name as is specified below:

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

4. 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)

Dated: _____, 201__

APPENDIX I-A

NOTICE OF EXERCISE

Reference is made to that certain Warrant to Purchase Stock, dated February __, 2018, issued by Quantum Corporation to [HOLDER] (the "Warrant").

1. The undersigned hereby elects to exercise the Warrant with respect to the purchase of [_____] shares of the Common Stock of Quantum Corporation, being the full amount currently exercisable pursuant to the terms of the Warrant.

2. **[The undersigned elects to make a Cashless Exercise (as such term is defined in the Warrant) in the manner detailed in Section 1.3 of the Warrant.]**

3. The Warrant shall remain in full force and effect with respect to the Additional Shares (as such term is defined in the Warrant), which Additional Shares shall become exercisable, as applicable, in accordance with the terms of the Warrant. The Warrant shall also apply to the shares receivable pursuant to this Notice of Exercise to the extent expressly set forth in the provisions of the Warrant.

4. Please issue the shares receivable pursuant to this Notice of Exercise **[(taking into account the Cashless Exercise)]** in the name of the undersigned; payment for any fractional shares owed pursuant to Section 2.1 of the Warrant should also be paid to the undersigned.

5. 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]

(Signature) _____

(Name and Title) _____

Dated: _____, 201__

[Signature Page to Warrant]

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 ARTICLE 5 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 AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

WARRANT TO PURCHASE STOCK

Company: QUANTUM CORPORATION
a Delaware corporation
Number of Shares: 13,714 shares
Class of Stock: Common Stock
Warrant Price: \$0.01 per share
Issue Date: February 14, 2018
Expiration Date: February 14, 2023

THIS WARRANT TO PURCHASE STOCK (THIS “WARRANT”) CERTIFIES THAT, for good and valuable consideration, the receipt of which is hereby acknowledged, West Virginia Direct Lending LLC is entitled to purchase the number of fully paid and nonassessable shares of the class of securities (the “Shares”) of QUANTUM CORPORATION (the “Company”) at the Warrant Price, all as set forth above and as adjusted pursuant to the terms of this Warrant, subject to the provisions and upon the terms and conditions set forth in this Warrant. Capitalized terms used herein but not specifically defined herein shall have the meanings ascribed to them in that certain Term Loan Credit and Security Agreement, dated as of October 21, 2016 (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), by and among the Company, the financial institutions from time to time party thereto (collectively, the “Lenders”), the Holder, as Agent for the Lenders, and the other parties thereto.

ARTICLE 1 EXERCISE

1.1 Conditions to Exercise.

(a) This Warrant shall be immediately exercisable for 6,857 shares of the Company’s Common Stock (subject to adjustment as provided herein) at any time until the Expiration Date.

(b) In addition to the shares immediately exercisable under Section 1.1(a) (and subject to the last sentence of this Section 1.1(b)), if, and only if, an Additional Vesting Event occurs, then from the date of the Additional Vesting Event through the Expiration Date, this Warrant shall be exercisable for an additional 6,857 shares of the Company’s Common Stock (subject to adjustment as provided herein) (such shares, the “Additional Shares”). For purposes of this Warrant, “Additional Vesting Event” means either (A) an Event of Default occurs under the Credit Agreement following the Third Amendment Effective Date) or (B) as of March 30, 2019, unless the Company (x) has received by such date at least \$25,000,000 in Net Cash Proceeds from the issuance of Qualified Equity Interests during the period from and after the Third Amendment Effective Date and (y) the financial statements delivered under Section 9.8 of the Credit Agreement with respect to the fiscal quarter ending March 31, 2019 demonstrate that the Company and its Subsidiaries, on a consolidated basis, are in compliance with each of the financial covenants set forth in Section 6.5 of the Credit Agreement (as in effect immediately prior to the Third Amendment Effective Date) for the four (4) fiscal

quarter period then ended; provided that for purposes of determining compliance with the financial covenants set forth in Section 6.5 of the Credit Agreement (as in effect immediately prior to the Third Amendment Effective Date) for purposes of this clause (y), EBITDA shall be calculated using the respective defined term in the Credit Agreement, but without giving effect to clause (c)(xviii) of the definition of EBITDA set forth in the Credit Agreement. Furthermore, an Additional Vesting Event shall be deemed to occur immediately prior to an Acquisition if (x) an Additional Vesting Event has not previously occurred and (y) such Acquisition is consummated on or after November 16, 2018 but on or prior to March 30, 2019 (for the avoidance of doubt, if an Acquisition is consummated prior to (but not including) November 16, 2018, then the Warrant will not be exercisable for the Additional Shares and the Warrant will expire as to the Additional Shares upon consummation of the Acquisition).

1.2 Method of Exercise. Holder may exercise any portion of this Warrant that is exercisable by delivering a duly completed and executed Notice of Exercise in substantially the form attached as Appendix I to the principal office of the Company. Unless Holder is exercising the cashless exercise right set forth in Section 1.3, 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 Warrant Price for the Shares being purchased. Notwithstanding the foregoing, if the Warrant is being exercised at a given time for all portions other than the Additional Shares, then the Notice of Exercise may be delivered in the form of Appendix I-A.

1.3 Cashless Exercise Right. In lieu of exercising this Warrant as specified in Section 1.2, 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 Warrant Price pursuant to Section 1.2, elect instead to receive upon such exercise the “net number” of shares of Common Stock determined according to the following formula (a “Cashless Exercise”):

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

Where:

- X = The number of Shares to be issued to Holder
- Y = The number of 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 (at the date of such calculation)
- B = The Warrant Price per share (as adjusted to the date of such calculation)

1.4 Calculation of FMV. For purposes of the calculation above, the fair market value of one Share shall be the average for the five trading days immediately prior to the date of determination thereof of the last reported sale price regular way on each such day, or, in the case no such sale takes place on any such day, the average of the reported closing bid and asked prices regular way of the shares of Common Stock on such day, in each case as quoted on the New York Stock Exchange, as reported by Bloomberg Markets, or such other principal securities exchange or inter-dealer quotation system on which the shares of Common Stock are then traded.

1.5 Delivery of Shares and New Warrant. Within two (2) business days after Holder exercises this Warrant in the manner set forth in Section 1.2 or Section 1.3 above, the Company shall deliver to Holder the Shares so acquired, provided that such Shares shall be deemed delivered upon the Company’s delivery of evidence of a book-entry or

similar position through The Depository Trust & Closing Corporation or any other depository or similar functionary, credited to an account for the benefit of Holder. If this Warrant has not been fully exercised and has not expired, then unless otherwise set forth in the Notice of Exercise a new warrant representing the Shares not so acquired shall be issued to Holder.

1.6 Treatment of Warrant at Acquisition. In the event of an Acquisition, either (a) Holder shall exercise or convert this Warrant in full (or shall be deemed to so convert pursuant to the immediately following sentence) with respect to all remaining Shares for which the Warrant is then exercisable (including Shares deemed exercisable by virtue of the last sentence of Section 1.1(b)) and such exercise or conversion will be deemed effective immediately prior to the consummation of such Acquisition or (b) if Holder elects in writing not to exercise or convert the Warrant, this Warrant will expire upon the consummation of such Acquisition. The Company shall provide Holder with written notice of the foregoing (together with such reasonable information as Holder may request in connection with such contemplated Acquisition giving rise to such notice), which is to be delivered to Holder not less than ten (10) days prior to the closing of the proposed Acquisition and, unless the Company receives a notice in writing from Holder that it elects to have the unexercised portion of the Warrant expire, then the unexercised portion of the Warrant shall be deemed to be automatically exercised pursuant to Section 1.3 immediately prior to the Acquisition.

For purposes of this Warrant, "Acquisition" shall mean: (i) the acquisition of the Company by another entity by means of any transaction or series of related transactions to which the Company is a party (including, without limitation, any stock acquisition, reorganization, merger or consolidation, but excluding any sale of stock for capital raising purposes and any transaction effected primarily for purposes of changing the Company's jurisdiction of incorporation) other than a transaction or series of related transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Company or such other surviving or resulting entity (or if the Company or such other surviving or resulting entity is a wholly-owned subsidiary immediately following such acquisition, its parent), or (ii) a sale, lease or other disposition of all or substantially all of the assets of the Company and its subsidiaries taken as a whole by means of any transaction or series of related transactions, except where such sale, lease or other disposition is to a wholly-owned subsidiary or affiliate of the Company.

1.7 Replacement of Warrant. On receipt 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 this Warrant, upon delivery of an indemnity agreement reasonably satisfactory in form, substance and amount to the Company or, in the case of mutilation, upon surrender and cancellation of this Warrant, the Company at its expense shall, within a reasonable period of time, execute and deliver to Holder, in lieu of this Warrant, a new warrant of like tenor and amount.

ARTICLE 2 ADJUSTMENTS TO THE SHARES AND NOTIFICATION OF CERTAIN EVENTS

2.1 Fractional Shares. No fractional Shares shall be issuable upon exercise of this Warrant and the number of Shares to be issued shall be rounded down to the nearest whole Share. If a fractional share interest arises upon any exercise of this Warrant, the Company shall eliminate such fractional share interest by paying Holder an amount computed by multiplying the fractional interest by the fair market value, calculated as provided in Section 1.4 above, of a full Share.

2.2 Adjustments. Subject to the expiration of this Warrant pursuant to Section 5.1, the number and kind of shares purchasable hereunder and the Warrant Price therefor are subject to adjustment from time to time, as follows:

2.2.1 Merger or Reorganization. If at any time there shall be any reorganization, recapitalization, merger or consolidation (a "Reorganization") involving the Company (other than an Acquisition which is subject to the provisions of Section 1.6) in which shares of the Company's stock are converted into or exchanged for securities, cash or other property, then, as a part of such Reorganization, lawful provision shall be made so that the Holder shall thereafter be entitled to receive upon exercise of this Warrant, the kind and amount of securities, cash or other property of the successor corporation resulting from such Reorganization, equivalent in value to that which a holder of the Shares deliverable upon exercise of this Warrant would have been entitled in such Reorganization if the right to purchase the Shares hereunder had been exercised immediately prior to such Reorganization. In any such case, appropriate adjustment (as determined in good faith by the Board of Directors of the successor corporation) shall be made in the application of the provisions of this Warrant with respect to the rights and interests of the Holder after such Reorganization to the end that the provisions of this Warrant shall be applicable after the event, as near as reasonably may be, in relation to any shares or other securities deliverable after that event upon the exercise of this Warrant.

2.2.2 Reclassification of Shares. 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 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 stock 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 shares.

2.2.3 Subdivisions and Combinations. In the event that the outstanding shares of the Company's Common Stock are subdivided (by stock split, by payment of a stock dividend or otherwise) into a greater number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately increased, and the Warrant Price shall be proportionately decreased, and in the event that the outstanding shares of Common Stock are combined (by reclassification or otherwise) into a lesser number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately decreased, and the Warrant Price shall be proportionately increased.

2.2.4 Notice of Adjustments. Upon any adjustment in accordance with this Section 2.2, the Company shall give notice thereof to the Holder, which notice shall state the event giving rise to the adjustment, the Warrant Price as adjusted and the number of securities or other property purchasable upon the exercise of the rights under this Warrant, setting forth in reasonable detail the method of calculation of each. The Company shall, upon the written request of any Holder, furnish or cause to be furnished to such Holder a certificate setting forth (i) such adjustments, (ii) the Warrant Price at the time in effect and (iii) the number of securities and the amount, if any, of other property that at the time would be received upon exercise of this Warrant.

2.3 Notification of Certain Events. Prior to the Expiration Date, in the event that the Company shall authorize:

2.3.1 the issuance of any dividend or other distribution on the capital stock of the Company (other than (i) dividends or distributions otherwise provided for in Section 2.2.3, or (ii) any repurchases of the Company's Common Stock), whether in cash, property, stock or other securities; or

2.3.2 the voluntary liquidation, dissolution or winding up of the Company,

the Company shall send to the Holder at least ten (10) days prior written notice of the date on which a record shall be taken for any such dividend or distribution specified in clause 2.3.1 or the expected effective date of any such other event specified in clause 2.3.2. The notice provisions set forth in this section may be shortened or waived prospectively or retrospectively by the consent of the Holder.

ARTICLE 3
REPRESENTATIONS AND COVENANTS OF THE COMPANY

3.1 Representations and Warranties. The Company hereby represents and warrants to Holder that all Shares which may be issued upon the exercise of the purchase right represented by 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.

3.2 Reservation of Stock. The Company hereby represents and warrants to Holder that sufficient shares of the Company's Common Stock have been reserved and are available for issuance from its authorized and unissued shares of Common Stock for the purpose of effecting the exercise of this Warrant, and such shares will remain available at all times until the date this Warrant has been exercised in full or, if earlier, the Expiration Date.

ARTICLE 4
INVESTMENT REPRESENTATIONS AND COVENANTS OF HOLDER

With respect to the acquisition of this Warrant and any of the Shares, Holder hereby represents and warrants to, and agrees with, the Company as follows:

4.1 Purchase Entirely for Own Account. This Warrant is issued to Holder in reliance upon Holder's representation to the Company that this Warrant and the 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 Shares.

4.2 Reliance upon Holder's Representations. Holder understands that this Warrant and the 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.

4.3 Accredited Investor Status. Holder represents to the Company that Holder is an Accredited Investor (as defined in the Act).

4.4 Restricted Securities. Holder understands that this Warrant and the 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.

4.5 Restrictions on Sale. Notwithstanding anything to the contrary contained herein, Holder agrees that Holder, together with its affiliates will not sell on any one trading day more than 50,000 Shares obtained from the exercise of this Warrant or other warrants issued on the same issuance date as this Warrant without the prior written consent of the Company.

ARTICLE 5
MISCELLANEOUS

5.1 Term; Exercise Upon Expiration. Subject to the terms of this Warrant, including Sections 1.1 and 1.6, this Warrant is exercisable in whole or in part, at any time and from time to time on or before the Expiration Date set forth above. The Company agrees that Holder may terminate this Warrant, upon written notice to the Company, at any time in its sole discretion.

5.2 Legends. This Warrant and the Shares shall be imprinted with a legend in substantially the following form:

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 ARTICLE 5 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 AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

5.3 Compliance with Securities Laws on Transfer. This Warrant and the Shares issuable upon exercise of this Warrant may not be transferred or assigned in whole or in part without (i) compliance with applicable federal and state securities laws by the transferor and the transferee, and (ii) if requested by Company, an opinion of counsel, reasonably satisfactory to Company, to the effect that such transfer or assignment is in compliance with applicable federal and state securities laws. The Company may issue stop transfer instructions to its transfer agent in connection with the restrictions in this Section 5.3.

5.4 Transfer Procedure. Subject to the provisions of Section 5.3, Holder may transfer all or part of this Warrant to its affiliates, and such affiliate shall then be entitled to all the rights and bound by all of the obligations of Holder under this Warrant and any related agreements, and the Company shall cooperate fully in ensuring that any stock issued upon exercise of this Warrant is issued in the name of the affiliate that exercises this Warrant. The terms and conditions of this Warrant shall inure to the benefit of, and be binding upon, the Company and the holder hereof and its respective permitted successors and assigns. Any transferee shall be bound by the obligations and restrictions of this Warrant as if such transferee was the original holder hereof.

5.5 Notices. All notices and other communications from the Company to Holder, or vice versa, shall be deemed delivered and effective when given personally or mailed by first-class registered or certified mail, postage prepaid, or sent via a nationally recognized overnight courier service, fee prepaid, or on the first business day after transmission by electronic mail, at such address or electronic mail address as may have been furnished to the Company or Holder, as the case may be, in writing by the Company or such Holder from time to time. Effective upon the receipt of the executed Warrant, all notices to Holder shall be addressed as follows until the Company receives notice of a change of address in connection with a transfer or otherwise:

West Virginia Direct Lending LLC
Attn: Mark Gertzof
227 West Monroe Street, Suite 3225
Chicago, IL 60606
E-mail: mark.gertzof@tcw.com

All notices to the Company shall be addressed as follows:

Quantum Corporation
Attn: Shawn Hall
224 Airport Parkway, Suite 550
San Jose, CA 95510
E-mail: shawn.hall@quantum.com

5.6 Amendments: Waiver. This Warrant and any term hereof may be amended, changed, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement of such amendment, change, waiver, discharge or termination is sought.

5.7 Attorneys' Fees. In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs reasonably incurred in such dispute, including reasonable and documented attorneys' fees.

5.8 Governing Law. This Warrant shall be governed by and construed in accordance with the laws of the State of California, without giving effect to its principles regarding conflicts of law.

5.9 Public Disclosure. The Company shall file a copy of this Warrant with the U.S. Securities and Exchange Commission ("SEC"), within the time periods required by applicable SEC rules and regulations, in order to comply with its obligations under federal securities laws.

5.10 Rights as a Stockholder. No holder of this Warrant, as such, shall be entitled to vote or receive dividends or be deemed the holder of Shares or any other securities of the Company which may at any time be issuable upon the exercise hereof for any purpose, nor shall anything contained herein be construed to confer upon Holder, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to receive notice of meetings, or to receive dividends or subscription rights or otherwise until this Warrant shall have been exercised as provided herein.

5.11 Counterparts: Signatures. This Warrant may be executed in counterparts, all of which together shall constitute one and the same agreement. Any signature page delivered electronically or by facsimile shall be binding to the same extent as an original signature page with regards to any agreement subject to the terms hereof or any amendment thereto.

[signature on following page]

QUANTUM CORPORATION

By: /s/ Fuad Ahmad

Name: Fuad Ahmad

Title: Chief Financial Officer

Accepted and Agreed:

WEST VIRGINIA DIRECT LENDING LLC

By: /s/ Mark Gertzof

Name: Mark Gertzof

Title: Authorized Officer

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 Holder a new warrant representing the Shares not acquired.

2. **[IF APPLICABLE - The undersigned elects to make a Cashless Exercise (as such term is defined in the Warrant) in the manner detailed in Section 1.3 of the Warrant.]**

3. Please issue said shares **[IF APPLICABLE - (taking into account the Cashless Exercise)]** in the name of the undersigned or in such other name as is specified below:

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

4. 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) _____

Dated: _____, 201__

APPENDIX I-A

NOTICE OF EXERCISE

Reference is made to that certain Warrant to Purchase Stock, dated February ___, 2018, issued by Quantum Corporation to [HOLDER] (the "Warrant").

1. The undersigned hereby elects to exercise the Warrant with respect to the purchase of [_____] shares of the Common Stock of Quantum Corporation, being the full amount currently exercisable pursuant to the terms of the Warrant.

2. **[The undersigned elects to make a Cashless Exercise (as such term is defined in the Warrant) in the manner detailed in Section 1.3 of the Warrant.]**

3. The Warrant shall remain in full force and effect with respect to the Additional Shares (as such term is defined in the Warrant), which Additional Shares shall become exercisable, as applicable, in accordance with the terms of the Warrant. The Warrant shall also apply to the shares receivable pursuant to this Notice of Exercise to the extent expressly set forth in the provisions of the Warrant.

4. Please issue the shares receivable pursuant to this Notice of Exercise **[(taking into account the Cashless Exercise)]** in the name of the undersigned; payment for any fractional shares owed pursuant to Section 2.1 of the Warrant should also be paid to the undersigned.

5. 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]

(Signature) _____

(Name and Title) _____

Dated: _____, 201__

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 ARTICLE 5 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 AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

WARRANT TO PURCHASE STOCK

Company: QUANTUM CORPORATION
a Delaware corporation
Number of Shares: 13,500 shares
Class of Stock: Common Stock
Warrant Price: \$0.01 per share
Issue Date: February 14, 2018
Expiration Date: February 14, 2023

THIS WARRANT TO PURCHASE STOCK (THIS “WARRANT”) CERTIFIES THAT, for good and valuable consideration, the receipt of which is hereby acknowledged, TCW Skyline Lending, L.P. is entitled to purchase the number of fully paid and nonassessable shares of the class of securities (the “Shares”) of QUANTUM CORPORATION (the “Company”) at the Warrant Price, all as set forth above and as adjusted pursuant to the terms of this Warrant, subject to the provisions and upon the terms and conditions set forth in this Warrant. Capitalized terms used herein but not specifically defined herein shall have the meanings ascribed to them in that certain Term Loan Credit and Security Agreement, dated as of October 21, 2016 (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), by and among the Company, the financial institutions from time to time party thereto (collectively, the “Lenders”), the Holder, as Agent for the Lenders, and the other parties thereto.

ARTICLE 1 EXERCISE

1.1 Conditions to Exercise.

(a) This Warrant shall be immediately exercisable for 6,750 shares of the Company’s Common Stock (subject to adjustment as provided herein) at any time until the Expiration Date.

(b) In addition to the shares immediately exercisable under Section 1.1(a) (and subject to the last sentence of this Section 1.1(b)), if, and only if, an Additional Vesting Event occurs, then from the date of the Additional Vesting Event through the Expiration Date, this Warrant shall be exercisable for an additional 6,750 shares of the Company’s Common Stock (subject to adjustment as provided herein) (such shares, the “Additional Shares”). For purposes of this Warrant, “Additional Vesting Event” means either (A) an Event of Default occurs under the Credit Agreement following the Third Amendment Effective Date or (B) as of March 30, 2019, unless the Company (x) has received by such date at least \$25,000,000 in Net Cash Proceeds from the issuance of Qualified Equity Interests during the period from and after the Third Amendment Effective Date and (y) the financial statements delivered under Section 9.8 of the Credit Agreement with respect to the fiscal quarter ending March 31, 2019 demonstrate that the Company and its Subsidiaries, on a consolidated basis, are in compliance with each of the financial covenants set forth in Section 6.5 of the Credit Agreement (as in effect immediately prior to the Third Amendment Effective Date) for the four (4) fiscal

quarter period then ended; provided that for purposes of determining compliance with the financial covenants set forth in Section 6.5 of the Credit Agreement (as in effect immediately prior to the Third Amendment Effective Date) for purposes of this clause (y), EBITDA shall be calculated using the respective defined term in the Credit Agreement, but without giving effect to clause (c)(xviii) of the definition of EBITDA set forth in the Credit Agreement. Furthermore, an Additional Vesting Event shall be deemed to occur immediately prior to an Acquisition if (x) an Additional Vesting Event has not previously occurred and (y) such Acquisition is consummated on or after November 16, 2018 but on or prior to March 30, 2019 (for the avoidance of doubt, if an Acquisition is consummated prior to (but not including) November 16, 2018, then the Warrant will not be exercisable for the Additional Shares and the Warrant will expire as to the Additional Shares upon consummation of the Acquisition).

1.2 Method of Exercise. Holder may exercise any portion of this Warrant that is exercisable by delivering a duly completed and executed Notice of Exercise in substantially the form attached as Appendix I to the principal office of the Company. Unless Holder is exercising the cashless exercise right set forth in Section 1.3, 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 Warrant Price for the Shares being purchased. Notwithstanding the foregoing, if the Warrant is being exercised at a given time for all portions other than the Additional Shares, then the Notice of Exercise may be delivered in the form of Appendix I-A.

1.3 Cashless Exercise Right. In lieu of exercising this Warrant as specified in Section 1.2, 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 Warrant Price pursuant to Section 1.2, elect instead to receive upon such exercise the “net number” of shares of Common Stock determined according to the following formula (a “Cashless Exercise”):

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

Where:

- X = The number of Shares to be issued to Holder
- Y = The number of 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 (at the date of such calculation)
- B = The Warrant Price per share (as adjusted to the date of such calculation)

1.4 Calculation of FMV. For purposes of the calculation above, the fair market value of one Share shall be the average for the five trading days immediately prior to the date of determination thereof of the last reported sale price regular way on each such day, or, in the case no such sale takes place on any such day, the average of the reported closing bid and asked prices regular way of the shares of Common Stock on such day, in each case as quoted on the New York Stock Exchange, as reported by Bloomberg Markets, or such other principal securities exchange or inter-dealer quotation system on which the shares of Common Stock are then traded.

1.5 Delivery of Shares and New Warrant. Within two (2) business days after Holder exercises this Warrant in the manner set forth in Section 1.2 or Section 1.3 above, the Company shall deliver to Holder the Shares so acquired, provided that such Shares shall be deemed delivered upon the Company’s delivery of evidence of a book-entry or

similar position through The Depository Trust & Closing Corporation or any other depository or similar functionary, credited to an account for the benefit of Holder. If this Warrant has not been fully exercised and has not expired, then unless otherwise set forth in the Notice of Exercise a new warrant representing the Shares not so acquired shall be issued to Holder.

1.6 Treatment of Warrant at Acquisition. In the event of an Acquisition, either (a) Holder shall exercise or convert this Warrant in full (or shall be deemed to so convert pursuant to the immediately following sentence) with respect to all remaining Shares for which the Warrant is then exercisable (including Shares deemed exercisable by virtue of the last sentence of Section 1.1(b)) and such exercise or conversion will be deemed effective immediately prior to the consummation of such Acquisition or (b) if Holder elects in writing not to exercise or convert the Warrant, this Warrant will expire upon the consummation of such Acquisition. The Company shall provide Holder with written notice of the foregoing (together with such reasonable information as Holder may request in connection with such contemplated Acquisition giving rise to such notice), which is to be delivered to Holder not less than ten (10) days prior to the closing of the proposed Acquisition and, unless the Company receives a notice in writing from Holder that it elects to have the unexercised portion of the Warrant expire, then the unexercised portion of the Warrant shall be deemed to be automatically exercised pursuant to Section 1.3 immediately prior to the Acquisition.

For purposes of this Warrant, "Acquisition" shall mean: (i) the acquisition of the Company by another entity by means of any transaction or series of related transactions to which the Company is a party (including, without limitation, any stock acquisition, reorganization, merger or consolidation, but excluding any sale of stock for capital raising purposes and any transaction effected primarily for purposes of changing the Company's jurisdiction of incorporation) other than a transaction or series of related transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Company or such other surviving or resulting entity (or if the Company or such other surviving or resulting entity is a wholly-owned subsidiary immediately following such acquisition, its parent), or (ii) a sale, lease or other disposition of all or substantially all of the assets of the Company and its subsidiaries taken as a whole by means of any transaction or series of related transactions, except where such sale, lease or other disposition is to a wholly-owned subsidiary or affiliate of the Company.

1.7 Replacement of Warrant. On receipt 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 this Warrant, upon delivery of an indemnity agreement reasonably satisfactory in form, substance and amount to the Company or, in the case of mutilation, upon surrender and cancellation of this Warrant, the Company at its expense shall, within a reasonable period of time, execute and deliver to Holder, in lieu of this Warrant, a new warrant of like tenor and amount.

ARTICLE 2 ADJUSTMENTS TO THE SHARES AND NOTIFICATION OF CERTAIN EVENTS

2.1 Fractional Shares. No fractional Shares shall be issuable upon exercise of this Warrant and the number of Shares to be issued shall be rounded down to the nearest whole Share. If a fractional share interest arises upon any exercise of this Warrant, the Company shall eliminate such fractional share interest by paying Holder an amount computed by multiplying the fractional interest by the fair market value, calculated as provided in Section 1.4 above, of a full Share.

2.2 Adjustments. Subject to the expiration of this Warrant pursuant to Section 5.1, the number and kind of shares purchasable hereunder and the Warrant Price therefor are subject to adjustment from time to time, as follows:

2.2.1 Merger or Reorganization. If at any time there shall be any reorganization, recapitalization, merger or consolidation (a "Reorganization") involving the Company (other than an Acquisition which is subject to the provisions of Section 1.6) in which shares of the Company's stock are converted into or exchanged for securities, cash or other property, then, as a part of such Reorganization, lawful provision shall be made so that the Holder shall thereafter be entitled to receive upon exercise of this Warrant, the kind and amount of securities, cash or other property of the successor corporation resulting from such Reorganization, equivalent in value to that which a holder of the Shares deliverable upon exercise of this Warrant would have been entitled in such Reorganization if the right to purchase the Shares hereunder had been exercised immediately prior to such Reorganization. In any such case, appropriate adjustment (as determined in good faith by the Board of Directors of the successor corporation) shall be made in the application of the provisions of this Warrant with respect to the rights and interests of the Holder after such Reorganization to the end that the provisions of this Warrant shall be applicable after the event, as near as reasonably may be, in relation to any shares or other securities deliverable after that event upon the exercise of this Warrant.

2.2.2 Reclassification of Shares. 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 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 stock 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 shares.

2.2.3 Subdivisions and Combinations. In the event that the outstanding shares of the Company's Common Stock are subdivided (by stock split, by payment of a stock dividend or otherwise) into a greater number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately increased, and the Warrant Price shall be proportionately decreased, and in the event that the outstanding shares of Common Stock are combined (by reclassification or otherwise) into a lesser number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately decreased, and the Warrant Price shall be proportionately increased.

2.2.4 Notice of Adjustments. Upon any adjustment in accordance with this Section 2.2, the Company shall give notice thereof to the Holder, which notice shall state the event giving rise to the adjustment, the Warrant Price as adjusted and the number of securities or other property purchasable upon the exercise of the rights under this Warrant, setting forth in reasonable detail the method of calculation of each. The Company shall, upon the written request of any Holder, furnish or cause to be furnished to such Holder a certificate setting forth (i) such adjustments, (ii) the Warrant Price at the time in effect and (iii) the number of securities and the amount, if any, of other property that at the time would be received upon exercise of this Warrant.

2.3 Notification of Certain Events. Prior to the Expiration Date, in the event that the Company shall authorize:

2.3.1 the issuance of any dividend or other distribution on the capital stock of the Company (other than (i) dividends or distributions otherwise provided for in Section 2.2.3, or (ii) any repurchases of the Company's Common Stock), whether in cash, property, stock or other securities; or

2.3.2 the voluntary liquidation, dissolution or winding up of the Company,

the Company shall send to the Holder at least ten (10) days prior written notice of the date on which a record shall be taken for any such dividend or distribution specified in clause 2.3.1 or the expected effective date of any such other event specified in clause 2.3.2. The notice provisions set forth in this section may be shortened or waived prospectively or retrospectively by the consent of the Holder.

ARTICLE 3
REPRESENTATIONS AND COVENANTS OF THE COMPANY

3.1 Representations and Warranties. The Company hereby represents and warrants to Holder that all Shares which may be issued upon the exercise of the purchase right represented by 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.

3.2 Reservation of Stock. The Company hereby represents and warrants to Holder that sufficient shares of the Company's Common Stock have been reserved and are available for issuance from its authorized and unissued shares of Common Stock for the purpose of effecting the exercise of this Warrant, and such shares will remain available at all times until the date this Warrant has been exercised in full or, if earlier, the Expiration Date.

ARTICLE 4
INVESTMENT REPRESENTATIONS AND COVENANTS OF HOLDER

With respect to the acquisition of this Warrant and any of the Shares, Holder hereby represents and warrants to, and agrees with, the Company as follows:

4.1 Purchase Entirely for Own Account. This Warrant is issued to Holder in reliance upon Holder's representation to the Company that this Warrant and the 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 Shares.

4.2 Reliance upon Holder's Representations. Holder understands that this Warrant and the 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.

4.3 Accredited Investor Status. Holder represents to the Company that Holder is an Accredited Investor (as defined in the Act).

4.4 Restricted Securities. Holder understands that this Warrant and the 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.

4.5 Restrictions on Sale. Notwithstanding anything to the contrary contained herein, Holder agrees that Holder, together with its affiliates will not sell on any one trading day more than 50,000 Shares obtained from the exercise of this Warrant or other warrants issued on the same issuance date as this Warrant without the prior written consent of the Company.

ARTICLE 5
MISCELLANEOUS

5.1 Term; Exercise Upon Expiration. Subject to the terms of this Warrant, including Sections 1.1 and 1.6, this Warrant is exercisable in whole or in part, at any time and from time to time on or before the Expiration Date set forth above. The Company agrees that Holder may terminate this Warrant, upon written notice to the Company, at any time in its sole discretion.

5.2 Legends. This Warrant and the Shares shall be imprinted with a legend in substantially the following form:

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 ARTICLE 5 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 AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

5.3 Compliance with Securities Laws on Transfer. This Warrant and the Shares issuable upon exercise of this Warrant may not be transferred or assigned in whole or in part without (i) compliance with applicable federal and state securities laws by the transferor and the transferee, and (ii) if requested by Company, an opinion of counsel, reasonably satisfactory to Company, to the effect that such transfer or assignment is in compliance with applicable federal and state securities laws. The Company may issue stop transfer instructions to its transfer agent in connection with the restrictions in this Section 5.3.

5.4 Transfer Procedure. Subject to the provisions of Section 5.3, Holder may transfer all or part of this Warrant to its affiliates, and such affiliate shall then be entitled to all the rights and bound by all of the obligations of Holder under this Warrant and any related agreements, and the Company shall cooperate fully in ensuring that any stock issued upon exercise of this Warrant is issued in the name of the affiliate that exercises this Warrant. The terms and conditions of this Warrant shall inure to the benefit of, and be binding upon, the Company and the holder hereof and its respective permitted successors and assigns. Any transferee shall be bound by the obligations and restrictions of this Warrant as if such transferee was the original holder hereof.

5.5 Notices. All notices and other communications from the Company to Holder, or vice versa, shall be deemed delivered and effective when given personally or mailed by first-class registered or certified mail, postage prepaid, or sent via a nationally recognized overnight courier service, fee prepaid, or on the first business day after transmission by electronic mail, at such address or electronic mail address as may have been furnished to the Company or Holder, as the case may be, in writing by the Company or such Holder from time to time. Effective upon the receipt of the executed Warrant, all notices to Holder shall be addressed as follows until the Company receives notice of a change of address in connection with a transfer or otherwise:

TCW Skyline Lending, L.P.
Attn: Mark Gertzof
227 West Monroe Street, Suite 3225
Chicago, IL 60606
E-mail: mark.gertzof@tcw.com

All notices to the Company shall be addressed as follows:

Quantum Corporation
Attn: Shawn Hall
224 Airport Parkway, Suite 550
San Jose, CA 95510
E-mail: shawn.hall@quantum.com

5.6 Amendments: Waiver. This Warrant and any term hereof may be amended, changed, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement of such amendment, change, waiver, discharge or termination is sought.

5.7 Attorneys' Fees. In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs reasonably incurred in such dispute, including reasonable and documented attorneys' fees.

5.8 Governing Law. This Warrant shall be governed by and construed in accordance with the laws of the State of California, without giving effect to its principles regarding conflicts of law.

5.9 Public Disclosure. The Company shall file a copy of this Warrant with the U.S. Securities and Exchange Commission ("SEC"), within the time periods required by applicable SEC rules and regulations, in order to comply with its obligations under federal securities laws.

5.10 Rights as a Stockholder. No holder of this Warrant, as such, shall be entitled to vote or receive dividends or be deemed the holder of Shares or any other securities of the Company which may at any time be issuable upon the exercise hereof for any purpose, nor shall anything contained herein be construed to confer upon Holder, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to receive notice of meetings, or to receive dividends or subscription rights or otherwise until this Warrant shall have been exercised as provided herein.

5.11 Counterparts: Signatures. This Warrant may be executed in counterparts, all of which together shall constitute one and the same agreement. Any signature page delivered electronically or by facsimile shall be binding to the same extent as an original signature page with regards to any agreement subject to the terms hereof or any amendment thereto.

[signature on following page]

QUANTUM CORPORATION

By: /s/ Fuad Ahmad

Name: Fuad Ahmad

Title: Chief Financial Officer

Accepted and Agreed:

TCW SKYLINE LENDING, L.P.

By: /s/ Mark Gertzof

Name: Mark Gertzof

Title: Authorized Officer

APPENDIX I

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 Holder a new warrant representing the Shares not acquired.

2. **[IF APPLICABLE - The undersigned elects to make a Cashless Exercise (as such term is defined in the Warrant) in the manner detailed in Section 1.3 of the Warrant.]**

3. Please issue said shares **[IF APPLICABLE - (taking into account the Cashless Exercise)]** in the name of the undersigned or in such other name as is specified below:

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

4. 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) _____

Dated: _____, 201__

APPENDIX I-A

NOTICE OF EXERCISE

Reference is made to that certain Warrant to Purchase Stock, dated February __, 2018, issued by Quantum Corporation to [HOLDER] (the "Warrant").

1. The undersigned hereby elects to exercise the Warrant with respect to the purchase of [_____] shares of the Common Stock of Quantum Corporation, being the full amount currently exercisable pursuant to the terms of the Warrant.

2. **[The undersigned elects to make a Cashless Exercise (as such term is defined in the Warrant) in the manner detailed in Section 1.3 of the Warrant.]**

3. The Warrant shall remain in full force and effect with respect to the Additional Shares (as such term is defined in the Warrant), which Additional Shares shall become exercisable, as applicable, in accordance with the terms of the Warrant. The Warrant shall also apply to the shares receivable pursuant to this Notice of Exercise to the extent expressly set forth in the provisions of the Warrant.

4. Please issue the shares receivable pursuant to this Notice of Exercise **[(taking into account the Cashless Exercise)]** in the name of the undersigned; payment for any fractional shares owed pursuant to Section 2.1 of the Warrant should also be paid to the undersigned.

5. 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]

(Signature) _____

(Name and Title) _____

Dated: _____, 201__

