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

Form 10-Q

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

For the quarterly period ended September 30, 2017

OR

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

For the transition period from _____ to _____

Commission File Number 001-11919

TeleTech Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

84-1291044
(I.R.S. Employer
Identification No.)

9197 South Peoria Street
Englewood, Colorado 80112
(Address of principal executive offices)

Registrant's telephone number, including area code: (303) 397-8100

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Yes No

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

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company) 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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

As of October 31, 2017, there were 45,849,114 shares of the registrant's common stock outstanding.

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
SEPTEMBER 30, 2017 FORM 10-Q
TABLE OF CONTENTS

	Page No.
<u>PART I. FINANCIAL INFORMATION</u>	
<u>Item 1.</u>	<u>Financial Statements</u>
	<u>Consolidated Balance Sheets as of September 30, 2017 and December 31, 2016 (unaudited)</u>
	1
	<u>Consolidated Statements of Comprehensive Income (Loss) for the three and nine months ended September 30, 2017 and 2016 (unaudited)</u>
	2
	<u>Consolidated Statement of Equity as of and for the nine months ended September 30, 2017 (unaudited)</u>
	3
	<u>Consolidated Statements of Cash Flows for the nine months ended September 30, 2017 and 2016 (unaudited)</u>
	4
	<u>Notes to the Unaudited Consolidated Financial Statements</u>
	5
<u>Item 2.</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>
	32
<u>Item 3.</u>	<u>Quantitative and Qualitative Disclosures about Market Risk</u>
	41
<u>Item 4.</u>	<u>Controls and Procedures</u>
	44
<u>PART II. OTHER INFORMATION</u>	
<u>Item 1.</u>	<u>Legal Proceedings</u>
	45
<u>Item 1A.</u>	<u>Risk Factors</u>
	45
<u>Item 2.</u>	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>
	46
<u>Item 5.</u>	<u>Other Information</u>
	46
<u>Item 6.</u>	<u>Exhibits</u>
	47
<u>SIGNATURES</u>	48

PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS
TELETECH HOLDINGS, INC. AND SUBSIDIARIES
Consolidated Balance Sheets
(Amounts in thousands, except share amounts)
(unaudited)

	September 30, 2017	December 31, 2016
ASSETS		
Current assets		
Cash and cash equivalents	\$ 78,842	\$ 55,264
Accounts receivable, net	304,493	300,808
Prepays and other current assets	67,516	59,905
Income tax receivable	8,078	7,035
Assets held for sale	9,279	10,715
Total current assets	468,208	433,727
Long-term assets		
Property, plant and equipment, net	162,361	151,037
Goodwill	166,584	129,648
Deferred tax assets, net	30,953	53,585
Other intangible assets, net	61,784	30,787
Other long-term assets	59,628	47,520
Total long-term assets	481,310	412,577
Total assets	\$ 949,518	\$ 846,304
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 45,155	\$ 38,197
Accrued employee compensation and benefits	85,820	66,133
Other accrued expenses	29,405	14,830
Income tax payable	10,194	7,040
Deferred revenue	23,416	23,318
Other current liabilities	23,497	29,154
Liabilities held for sale	2,491	1,357
Total current liabilities	219,978	180,029
Long-term liabilities		
Line of credit	255,000	217,300
Deferred tax liabilities, net	155	160
Deferred rent	16,023	15,256
Other long-term liabilities	58,568	71,664
Total long-term liabilities	329,746	304,380
Total liabilities	549,724	484,409
Commitments and contingencies (Note 10)		
Mandatorily redeemable noncontrolling interest	—	—
Stockholders' equity		
Preferred stock; \$0.01 par value; 10,000,000 shares authorized; zero shares outstanding as of September 30, 2017 and December 31, 2016	—	—
Common stock; \$0.01 par value; 150,000,000 shares authorized; 45,847,389 and 46,113,693 shares outstanding as of September 30, 2017 and December 31, 2016, respectively	458	462
Additional paid-in capital	348,932	348,739
Treasury stock at cost; 36,204,864 and 35,938,560 shares as of September 30, 2017 and December 31, 2016, respectively	(615,917)	(603,262)
Accumulated other comprehensive income (loss)	(103,893)	(126,964)
Retained earnings	763,116	735,939
Noncontrolling interest	7,098	6,981
Total stockholders' equity	399,794	361,895
Total liabilities and stockholders' equity	\$ 949,518	\$ 846,304

The accompanying notes are an integral part of these consolidated financial statements.

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income (Loss)
(Amounts in thousands, except per share amounts)
(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
Revenue	\$ 359,036	\$ 312,796	\$ 1,050,742	\$ 930,311
Operating expenses				
Cost of services (exclusive of depreciation and amortization presented separately below)	275,548	233,541	797,450	691,649
Selling, general and administrative	45,167	40,628	132,372	130,902
Depreciation and amortization	16,515	16,811	47,273	51,761
Restructuring and integration charges, net	6,006	3,688	9,768	3,890
Impairment losses	—	5,602	—	5,602
Total operating expenses	<u>343,236</u>	<u>300,270</u>	<u>986,863</u>	<u>883,804</u>
Income from operations	15,800	12,526	63,879	46,507
Other income (expense)				
Interest income	899	397	2,020	826
Interest expense	(3,469)	(2,041)	(8,699)	(5,758)
Other income (expense), net	4,416	6,254	6,573	7,488
Loss on assets held for sale	—	(5,300)	(3,178)	(5,300)
Total other income (expense)	<u>1,846</u>	<u>(690)</u>	<u>(3,284)</u>	<u>(2,744)</u>
Income before income taxes	17,646	11,836	60,595	43,763
(Provision for) benefit from income taxes	(2,071)	813	(9,059)	(6,667)
Net income	15,575	12,649	51,536	37,096
Net income attributable to noncontrolling interest	(806)	(1,198)	(2,828)	(2,804)
Net income attributable to TeleTech stockholders	<u>\$ 14,769</u>	<u>\$ 11,451</u>	<u>\$ 48,708</u>	<u>\$ 34,292</u>
Other comprehensive income (loss)				
Net income	\$ 15,575	\$ 12,649	\$ 51,536	\$ 37,096
Foreign currency translation adjustments	(1,153)	(8,541)	8,414	(8,069)
Derivative valuation, gross	3,221	(6,009)	24,713	(2,395)
Derivative valuation, tax effect	(1,288)	2,462	(10,117)	725
Other, net of tax	127	802	386	1,202
Total other comprehensive income (loss)	<u>907</u>	<u>(11,286)</u>	<u>23,396</u>	<u>(8,537)</u>
Total comprehensive income (loss)	<u>16,482</u>	<u>1,363</u>	<u>74,932</u>	<u>28,559</u>
Less: Comprehensive income attributable to noncontrolling interest	(899)	(1,202)	(3,153)	(2,734)
Comprehensive income (loss) attributable to TeleTech stockholders	<u>\$ 15,583</u>	<u>\$ 161</u>	<u>\$ 71,779</u>	<u>\$ 25,825</u>
Weighted average shares outstanding				
Basic	45,838	47,081	45,816	47,771
Diluted	46,367	47,315	46,348	48,089
Net income per share attributable to TeleTech stockholders				
Basic	\$ 0.32	\$ 0.24	\$ 1.06	\$ 0.72
Diluted	\$ 0.32	\$ 0.24	\$ 1.05	\$ 0.71
Dividends declared per share outstanding	\$ 0.25	\$ 0.20	\$ 0.47	\$ 0.385

The accompanying notes are an integral part of these consolidated financial statements.

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
Consolidated Statement of Stockholders' Equity
(Amounts in thousands)
(Unaudited)

	Stockholders' Equity of the Company									
	Preferred Stock		Common Stock		Treasury Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Noncontrolling interest	Total Equity
	Shares	Amount	Shares	Amount						
Balance as of December 31, 2016			46,114	\$ 462	\$ (603,282)	\$ 348,739	\$ (126,964)	\$ 735,939	\$ 6,981	\$ 361,895
Net income								48,709		2,829
Dividends to shareholders (\$0.47 per common share)								(21,531)		(21,531)
Dividends distributed to noncontrolling interest									(2,745)	(2,745)
Foreign currency translation adjustments								8,089		8,414
Derivatives valuation, net of tax							14,596			14,596
Vesting of restricted stock units			283	2	4,673	(9,612)				(4,937)
Exercise of stock options			60	—	994	1,156				2,150
Equity-based compensation expense						8,649				8,368
Purchases of common stock				(610)	(6)	(18,322)			(291)	(18,328)
Other, net of tax								386		386
Balance as of September 30, 2017			45,847	\$ 458	\$ (615,917)	\$ 348,932	\$ (103,893)	\$ 783,116	\$ 7,098	\$ 399,794

The accompanying notes are an integral part of these consolidated financial statements.

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
(Amounts in thousands)
(Unaudited)

	Nine Months Ended September 30,	
	2017	2016
Cash flows from operating activities		
Net income	\$ 51,536	\$ 37,096
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	47,273	51,761
Amortization of contract acquisition costs	1,273	499
Amortization of debt issuance costs	521	582
Imputed interest expense and fair value adjustments to contingent consideration	35	(4,320)
Provision for doubtful accounts	380	542
(Gain) loss on disposal of assets	85	(65)
Gain on sale of business and dissolution of entity	(3,323)	
Impairment losses		5,602
Loss on held for sale assets	3,178	5,300
Deferred income taxes	8,155	5,368
Excess tax benefit from equity-based awards	(1,970)	(539)
Equity-based compensation expense	8,358	7,278
Loss on foreign currency derivatives	829	4,649
Changes in assets and liabilities, net of acquisitions:		
Accounts receivable	13,460	23,780
Prepays and other assets	(26,814)	(12,652)
Accounts payable and accrued expenses	32,597	(6,347)
Deferred revenue and other liabilities	14,066	(4,696)
Net cash provided by operating activities	<u>149,643</u>	<u>110,838</u>
Cash flows from investing activities		
Proceeds from sale of long-lived assets	31	93
Purchases of property, plant and equipment, net of acquisitions	(43,932)	(38,863)
Proceeds from sale of business	391	—
Investments in non-marketable equity investments	(1,384)	—
Acquisitions, net of cash acquired of zero and zero, respectively	(81,360)	(400)
Net cash used in investing activities	<u>(126,254)</u>	<u>(39,170)</u>
Cash flows from financing activities		
Proceeds from line of credit	1,571,837	1,584,800
Payments on line of credit	(1,534,137)	(1,555,800)
Payments on other debt	(4,501)	(2,306)
Payments of contingent consideration and hold back payments to acquisitions	(674)	(9,457)
Dividends paid to shareholders	(10,069)	(8,922)
Payments to noncontrolling interest	(2,745)	(3,237)
Purchase of mandatorily redeemable noncontrolling interest	—	(4,105)
Proceeds from exercise of stock options	2,150	371
Tax payments related to issuance of restricted stock units	(4,937)	(3,692)
Excess tax benefit from equity-based awards	—	539
Payments of debt issuance costs	(38)	(1,888)
Purchase of treasury stock	(18,328)	(57,279)
Net cash used in financing activities	<u>(1,442)</u>	<u>(60,986)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>1,631</u>	<u>(9,678)</u>
Increase in cash and cash equivalents	23,578	1,004
Cash and cash equivalents, beginning of period	55,264	60,304
Cash and cash equivalents, end of period	<u>\$ 78,842</u>	<u>\$ 61,308</u>
Supplemental disclosures		
Cash paid for interest	\$ 8,138	\$ 4,976
Cash paid for income taxes	\$ 11,357	\$ 16,755
Non-cash operating, investing and financing activities		
Acquisition of long-lived assets through capital leases	\$ 931	\$ 2,417
Acquisition of equipment through increase in accounts payable, net	\$ 405	\$ (542)
Contract acquisition costs credited to accounts receivable	\$ —	\$ 200
Dividend declared but not paid	\$ 11,462	\$ 9,342

The accompanying notes are an integral part of these consolidated financial statements.

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

(1) OVERVIEW AND BASIS OF PRESENTATION

Summary of Business

TeleTech Holdings, Inc. and its subsidiaries ("TeleTech" or the "Company") is a leading global provider of technology enabled customer experience services. The Company helps leading brands improve customer experiences and operational effectiveness through a unique combination of technological innovation and operational expertise. The Company's portfolio of solutions includes consulting, technology, operations and analytics to enable a seamless customer experience across every interaction channel and phase of the customer lifecycle. TeleTech's 49,500 employees serve clients in the automotive, communication, financial services, government, healthcare, logistics, media and entertainment, retail, technology, transportation and travel industries across all the segments and via operations in the U.S., Australia, Belgium, Brazil, Bulgaria, Canada, China, Costa Rica, Germany, Hong Kong, Ireland, Lebanon, Macedonia, Mexico, New Zealand, the Philippines, Poland, Singapore, South Africa, Thailand, Turkey, the United Arab Emirates, and the United Kingdom.

Basis of Presentation

The Consolidated Financial Statements are comprised of the accounts of TeleTech, its wholly owned subsidiaries, and its 55% equity owned subsidiary Percepta, LLC. All intercompany balances and transactions have been eliminated in consolidation.

The unaudited Consolidated Financial Statements do not include all of the disclosures required by accounting principles generally accepted in the U.S. ("GAAP"), pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). The unaudited Consolidated Financial Statements reflect all adjustments which, in the opinion of management, are necessary to state fairly the consolidated financial position of the Company and the consolidated results of operations and comprehensive income (loss) and the consolidated cash flows of the Company. Operating results for the periods presented are not necessarily indicative of the results that may be expected for the year ending December 31, 2017.

During the three months ended March 31, 2016, the Company recorded an additional tax expense of \$1.1 million that should have been recorded in prior periods related to operations by an entity outside its country of incorporation. The total amount of \$1.1 million should have been recorded as additional expense in the amount of \$180 thousand in 2011, \$123 thousand in 2012, \$137 thousand in 2013, \$358 thousand in 2014 and \$301 thousand in 2015.

The Company has evaluated the impact of this adjustment and concluded that the adjustment was not material to the previously issued consolidated financial statements.

These unaudited Consolidated Financial Statements should be read in conjunction with the Company's audited Consolidated Financial Statements and footnotes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2016.

Use of Estimates

The preparation of the Consolidated Financial Statements in conformity with GAAP requires management to make estimates and assumptions in determining the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the Consolidated Financial Statements and the reported amounts of revenue and expenses during the reporting period. On an on-going basis, the Company evaluates its estimates including those related to derivatives and hedging activities, income taxes including the valuation allowance for deferred tax assets, self-insurance reserves, litigation reserves, restructuring reserves, allowance for doubtful accounts, contingent consideration, and valuation of goodwill, long-lived and intangible assets. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results may differ materially from these estimates under different assumptions or conditions.

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Recently Issued Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update ("ASU") 2014-09, "*Revenue from Contracts with Customers*". ASU 2014-09 provides new guidance related to how an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, ASU 2014-09 specifies new accounting for costs associated with obtaining or fulfilling contracts with customers and expands the required disclosures related to revenue and cash flows from contracts with customers. While ASU-2014-09 was originally effective for fiscal years and interim periods within those years beginning after December 15, 2016, in August 2015, the FASB issued ASU 2015-14, "Deferral of Effective Date", deferring the effective date by one year, to be effective for fiscal years, and interim periods within those years, beginning after December 15, 2017. Earlier adoption is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period. ASU 2014-09 can be adopted either retrospectively to each prior reporting period presented or as a cumulative-effect adjustment as of the date of adoption, with early application not permitted. In June 2017, FASB issued ASU 2017-10, "*Service Concession Arrangements*", which will be adopted along with the ASU 2014-09 guidance. The Company has assigned a project manager and team, has selected an external consulting company to assist through the project, has completed the initial project assessment phase, and is finalizing its implementation approach. The Company has determined that it will adopt this new standard using the modified retrospective approach in which a cumulative adjustment to retained earnings will be recorded as of January 1, 2018. The Company is in the process of completing its assessment of the financial statement impact and as such, has not reached any conclusions regarding the potential impact to the financials.

In February 2016, the FASB issued ASU 2016-02, "*Leases*", which amends the existing accounting standards for lease accounting, including requiring lessees, to recognize most leases on their balance sheets related to the rights and obligations created by those leases and making targeted changes to lessor accounting. The ASU also requires new disclosures regarding the amounts, timing, and uncertainty of cash flows arising from leases. The ASU is effective for interim and annual periods beginning on or after December 15, 2018 and early adoption is permitted. The new leases standard requires a modified retrospective transition approach for all leases existing at, or entered into after, the date of initial application, with an option to use certain transition relief. The Company is currently assessing the impact on the consolidated financial statements and related disclosures, evaluating software solutions and other tracking methods, and determining the implementation timeline.

In March 2016, the FASB issued ASU 2016-09, "*Compensation – Stock Compensation: Improvements to Employee Share-Based Payment Accounting*", which amends the existing accounting standards related to stock-based compensation. The ASU simplifies several aspects of accounting for share-based payment transactions, including the accounting for income taxes, forfeitures, statutory tax withholding requirements, as well as classification in the statement of cash flows. The ASU is effective for interim and annual periods beginning on or after December 15, 2016. Beginning with the first quarter of 2017, the Company has adopted the new guidance as applicable and this adoption did not have a material impact on its financial position, results of operation or related disclosures.

In August 2016, the FASB issued ASU No. 2016-15, "*Statement of Cash Flows*". ASU 2016-15 is intended to reduce diversity in practice regarding how certain cash transactions are presented and classified in the Consolidated Statement of Cash Flows by providing guidance on eight specific cash flow issues. The ASU is effective for interim and annual periods beginning on or after December 15, 2017 and early adoption is permitted. The Company is currently assessing the impact on the consolidated statements and related disclosures.

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

In January 2017, the FASB issued ASU No. 2017-04, *"Intangibles – Goodwill and Other: Simplifying the Accounting for Goodwill Impairment"*. ASU 2017-04 removes the need to complete Step 2 of any goodwill impairment test that has failed Step 1. The goodwill impairment will now be calculated as the amount by which a reporting unit's carrying value exceeds its fair value. The ASU is effective for interim and annual periods beginning on or after December 15, 2019 and early adoption is permitted. The Company early adopted this standard as of January 1, 2017.

In August 2017, the FASB issued ASU 2017-12, *"Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities"*. ASU 2017-12 amends and simplifies existing guidance for derivatives and hedges including aligning accounting with companies' risk management strategies and increasing disclosure transparency regarding both the scope and results of hedging programs. The changes include designation and measurement guidance for qualifying hedging relationships and the presentation of hedge results. The ASU is effective for interim and annual periods beginning after December 15, 2018 and early adoption is permitted. The Company is currently assessing the impact on the consolidated statements and related disclosures.

(2) ACQUISITIONS AND DIVESTITURES

Connexions

On April 3, 2017, the Company acquired all of the outstanding shares of Connexions, Inc., a health care customer service provider company, from OptumHealth Holdings, LLC. Connexions is being integrated into the health care vertical of the Customer Management Services ("CMS") segment of the Company. Connexions employed approximately 2,000 at several centers in the U.S.

The total cash paid at acquisition was \$80 million. The purchase price is subject to customary representations and warranties, indemnities, and net working capital adjustment. In connection with the acquisition, the Company and OptumHealth (directly and through affiliates) also entered into long-term technology and customer services agreements, and into transition services agreements to facilitate the transfer of the business. The Company was required to pay an additional \$1.8 million for the working capital adjustment, which was paid during the third quarter of 2017. Additionally, fair value adjustments related to the transition services agreements are expected to reduce the purchase price by \$4.1 million resulting in a net estimated purchase price of \$77.7 million.

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

The following summarizes the preliminary estimated fair values of the identifiable assets acquired and liabilities assumed as of the acquisition date (in thousands):

	Preliminary Estimate of Acquisition Date Fair Value
Cash	\$ —
Accounts receivable, net	15,959
Prepaid expenses	241
Other current assets	51
Property, plant and equipment	7,594
Customer relationships	35,000
Goodwill	35,272
	<u>\$ 94,117</u>
Accounts payable	\$ 1
Accrued employee compensation and benefits	346
Accrued expenses	386
Deferred tax liabilities	15,273
Deferred revenue	399
	<u>\$ 16,405</u>
Total purchase price	<u>\$ 77,712</u>

The estimates of fair value of identifiable assets acquired and liabilities assumed are preliminary, pending finalization of a valuation, thus are subject to revisions that may result in adjustments to the values presented above.

The Connexions customer relationships have been estimated based on the initial valuation and are amortized over an estimated useful life of 12 years. The goodwill recognized from the Connexions acquisition is estimated to be attributable, but not limited to, the acquired work force and expected synergies with CMS. None of the tax basis of the acquired intangibles and goodwill will be deductible for income tax purposes. The acquired goodwill and the operating results of Connexions are reported within the CMS segment from the date of acquisition.

Atelka

On November 9, 2016, the Company acquired all of the outstanding shares of Atelka Enterprise Inc. ("Atelka"), a Canadian customer contact center management and business process outsourcing services company that serves Canadian telecommunications, logistics, and entertainment clients. This acquisition was an addition to the CMS segment. Atelka employed approximately 2,800 in Quebec, Ontario, New Brunswick and Prince Edward Island.

The total purchase price was \$48.4 million (\$65.0 CAD), including certain working capital adjustments, and consisted of \$47.5 million in cash at closing and a \$1.4 million hold-back for contingencies as defined in the sale and purchase agreement, which will be released to the seller in month 12 and month 24, post acquisition, if not used.

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

The following summarizes the fair values of the identifiable assets acquired and liabilities assumed as of the acquisition date (in thousands):

	Acquisition Date Fair Value
Cash	\$ 2,655
Accounts receivable, net	18,449
Prepaid expenses	615
Property, plant and equipment	3,161
Deferred tax assets, net	638
Customer relationships	10,500
Goodwill	20,275
	\$ 56,293
Accounts payable	\$ 1,199
Accrued employee compensation and benefits	2,418
Accrued expenses	2,597
Other	1,678
	\$ 7,892
Total purchase price	\$ 48,401

In the third quarter of 2017, the Company finalized its valuation of Atelka for the acquisition date assets and liabilities assumed and determined that no material adjustments to any of the balances were required.

The Atelka customer relationships will be amortized over a useful life of 12 years. The goodwill recognized from the Atelka acquisition is attributable, but not limited to, the acquired work force and expected synergies with CMS. None of the tax basis of the acquired intangibles and goodwill will be deductible for income tax purposes. The acquired goodwill and the operating results of Atelka are reported within the CMS segment from the date of acquisition.

rogenSi

In the third quarter of 2014, as an addition to the Customer Strategy Services ("CSS") segment, the Company acquired substantially all operating assets of rogenSi Worldwide PTY, Ltd., a global leadership, change management, sales, performance training and consulting company.

The total potential purchase price was \$34.4 million, subject to certain working capital adjustments, and consisted of \$18.1 million in cash at closing and an estimated \$14.5 million in three earn-out payments, contingent on the acquired companies and TeleTech's CSS segment achieving certain agreed earnings before interest, taxes, depreciation and amortization ("EBITDA") targets, as defined in the sale and purchase agreement. Additionally, the estimated purchase price included a \$1.8 million hold-back for contingencies as defined in the sale and purchase agreement which was released to the sellers in the first quarter of 2016. The total contingent consideration possible per the sale and purchase agreement ranged from zero to \$17.6 million and the earn-out payments were payable in early 2015, 2016 and 2017, based on July 1, 2014 through December 31, 2014, and full year 2015 and 2016 performance, respectively. As of December 31, 2016, the contingent consideration has been finalized and a total of \$12.0 million was earned and paid.

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

The fair value of the contingent consideration was measured by applying a probability weighted discounted cash flow model based on significant inputs not observable in the market (Level 3 inputs). Key assumptions include a discount rate of 4.6% and expected future value of payments of \$15.3 million. The \$15.3 million of expected future payments was calculated using a probability weighted EBITDA assessment with the highest probability associated with rogenSi achieving the targeted EBITDA for each earn-out year. As of the acquisition date, the fair value of the contingent consideration was approximately \$14.5 million. During the fourth quarter of 2014, the third quarter of 2015, the fourth quarter of 2015, and the third quarter of 2016, the Company recorded fair value adjustments of the contingent consideration of \$0.5 million, \$0.8 million, \$(0.3) million, and \$(4.3) million, respectively, based on revised estimates noting higher or lower probability of exceeding the EBITDA targets (see Note 7). As of September 30, 2016, the fair value of the remaining contingent consideration was reduced from \$4.3 million to zero given the remote possibility of achieving targeted EBITDA for 2016. As of December 31, 2016, the payment was finalized at a value of zero and thus no additional expense was required.

Financial Impact of Acquired Businesses

The acquired businesses purchased in 2016 and 2017 noted above contributed revenues of \$43.6 million and \$101.9 million, and a net loss of \$(4.1) million and \$(6.3) million, inclusive of \$0.9 million and \$2.1 million of acquired intangible amortization, to the Company for the three and nine months ended September 30, 2017, respectively.

The unaudited proforma financial results for the third quarter and first nine months of 2017 and 2016 combines the consolidated results of the Company, Connexions and Atelka assuming the Connexions acquisition had been completed on January 1, 2016 and the Atelka acquisition on January 1, 2015. The reported revenue and net income of \$312.8 million and \$11.5 million would have been \$362.3 million and \$9.4 million for the three months ended September 30, 2016, respectively, on an unaudited proforma basis. The reported revenue and net income of \$930.3 million and \$34.3 million would have been \$1,071.7 million and \$27.8 million for the nine months ended September 30, 2016, respectively, on an unaudited proforma basis.

For 2017, the reported revenue and net income of \$359.0 million and \$14.8 million would have been \$359.0 million and \$14.8 million for the three months ended September 30, 2017, respectively. The reported revenue and net income of \$1,050.7 million and \$48.7 million would have been \$1,090.0 million and \$46.9 million for the nine months ended September 30, 2017, respectively, on an unaudited proforma basis.

The unaudited pro forma consolidated results are not to be considered indicative of the results if these acquisitions occurred in the periods mentioned above, or indicative of future operations or results. Additionally, the pro forma consolidated results do not reflect any anticipated synergies expected as a result of the acquisition.

Assets and Liabilities Held for Sale

During the third quarter of 2016, the Company determined that one business unit from the Customer Growth Services ("CGS") segment and one business unit from the Customer Strategy Services ("CSS") segment would be divested from the Company's operations. These business units continue to meet the criteria to be classified as held for sale. The Company had engaged a broker for both business units and is working with potential buyers for both business units. The Company anticipates the transactions will be finalized during the next three to six months. The Company has taken into consideration the discounted cash flow models, management input based on early discussions with brokers and potential buyers, and third-party evidence from similar transactions to complete the fair value analysis as there has not been a selling price determined at this point for either unit. For the two business units in CGS and CSS losses of \$2.6 million and \$2.7 million, respectively, were recorded as of September 30, 2016 in Loss on assets held for sale in the Consolidated Statements of Comprehensive Income (Loss). As of September 30, 2017, for the business unit in CSS, this loss continues to be the best estimate and no additional charge has been recorded. For the business unit in CGS, based on further discussion and initial offers, management determined that the estimated selling price assumed should be

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

revised. Based on this and further analysis, an additional \$3.2 million loss was recorded as of June 30, 2017 and included in Loss on assets held for sale in the Consolidated Statements of Comprehensive Income (Loss). As of September 30, 2017, for the business unit in CGS, the aggregate loss continues to be the best estimate and no additional charge has been recorded.

The following table presents information related to the major components of assets and liabilities that were classified as held for sale in the Consolidated Balance Sheet as of September 30, 2017.

	As of
	September 30, 2017
Cash	\$ —
Accounts receivable, net	8,240
Allowance for doubtful accounts	(51)
Other assets	589
Property, plant and equipment	1,229
Customer relationships	3,946
Goodwill	3,033
Other intangible assets	771
Allowance for reduction of assets held for sale	(8,478)
Total assets	\$ 9,279
Accounts payable	\$ 1,046
Accrued employee compensation and benefits	817
Accrued expenses	316
Other	312
Total liabilities	\$ 2,491

Investments*CaféX*

In the first quarter of 2015, the Company invested \$9.0 million in CafeX Communications, Inc. ("CaféX") through the purchase of a portion of the Series B Preferred Stock of CaféX. CaféX is a provider of omni-channel web-based real time communication (WebRTC) solutions that enhance mobile applications and websites with in-app video communication and screen share technology to increase customer satisfaction and enterprise efficiency. TeleTech has deployed the CaféX technology as part of the TeleTech customer experience offerings within the CMS business segment and as part of its Humanify platform. At December 31, 2015, the Company owned 17.2% of the total equity of CaféX. During the fourth quarter of 2016, the Company invested an additional \$4.3 million to purchase a portion of the Series C Preferred Stock; \$3.2 million was paid in the fourth quarter of 2016 and \$1.1 million was paid in the first quarter of 2017. At September 30, 2017, the Company owns 17.2% of the total equity of CaféX. The investment is accounted for under the cost method of accounting. The Company evaluates its investments for possible other-than-temporary impairment at least annually or whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. The Company tested the investment in CaféX for impairment and concluded that the investment was not impaired at September 30, 2017 or December 31, 2016.

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Divestitures

Technology Solutions Group ("TSG")

Effective June 30, 2017, the Company sold the Technology Solutions Group to SKC Communication Products, LLC ("SKC") for an upfront payment of \$250 thousand and future contingent royalty payments over the next 3 years. TSG had been included in the CTS segment. During the second quarter of 2017, a \$30 thousand gain, which included the write-off of \$0.7 million of goodwill, was recorded and included in the Consolidated Statements of Comprehensive Income (Loss). During the third quarter of 2017, a \$141 thousand gain was recorded as a result of TSG delivering to SKC working capital in excess of the target set forth in the stock purchase agreement, and the gain was included in the Consolidated Statements of Comprehensive Income (Loss).

TeleTech Spain Holdings SL

In the third quarter of 2017, the Company dissolved TeleTech Spain Holdings SL, a fully owned foreign subsidiary domiciled in Spain. Upon complete liquidation, \$3.2 million attributable to the accumulated translation adjustment component of equity has been removed from Accumulated other comprehensive income (loss) and recognized as part of the gain on liquidation. The \$3.2 million gain is included in Other income (expense), net in the Consolidated Statements of Comprehensive Income (Loss) for the three and nine months ended September 30, 2017.

Subsequent Event

On November 8, 2017, the Company agreed to acquire all of the outstanding shares in Motif, Inc., a California corporation ("Motif"). Motif is a digital trust and safety services company serving eCommerce marketplaces, online retailers, travel agencies and financial services companies. Motif provides omni-channel community moderation services via voice, email and chat from delivery centers in India and the Philippines via approximately 2,800 employees. The acquisition will be implemented through two separate transactions. In November 2017, the Company will complete the acquisition of 70% of all outstanding shares in Motif from private equity and certain individual investors for \$46.9 million, subject to customary representations and warranties, and working capital adjustments. The Company also agreed to purchase the remaining 30% interest in Motif from Motif's founders ("founders' shares") by no later than May 2020 ("30% buyout period"). The Company agreed to pay for the founders' shares at a purchase price contingent on Motif's fiscal year 2020's adjusted normalized EBITDA, and 30% of the excess cash present in the business at the time of the buyout; or if the buyout occurs prior to May 2020, the trailing twelve months EBITDA, calculated from the most recently completed full monthly period ending prior to the date of the buyout triggering event and 30% of the excess cash in the business at that point. As a condition to the acquisition, the Motif founders agreed to continue to stay as executives in the acquired business, at least through the 30% buyout period, as part of the Company's CMS segment, and not to compete with the Company with respect to the acquired business.

(3) SEGMENT INFORMATION

The Company reports the following four segments:

- the CMS segment includes the customer experience delivery solutions which integrate innovative technology with highly-trained customer experience professionals to optimize the customer experience across all channels and all stages of the customer lifecycle from an onshore, offshore or work-from-home environment;
- the CGS segment provides technology-enabled sales and marketing solutions that support revenue generation across the customer lifecycle, including sales advisory, search engine optimization, digital demand generation, lead qualification, and acquisition sales, growth and retention services;

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

- the CTS segment includes system design consulting, customer experience technology product, implementation and integration consulting services, and management of clients' cloud and on-premise solutions; and
- the CSS segment provides professional services in customer experience strategy and operations, insights, system and operational process optimization, and culture development and knowledge management.

The Company allocates to each segment its portion of corporate operating expenses. All intercompany transactions between the reported segments for the periods presented have been eliminated.

The following tables present certain financial data by segment (in thousands):

Three Months Ended September 30, 2017

	Gross Revenue	Intersegment Sales	Net Revenue	Depreciation & Amortization	Income (Loss) from Operations
Customer Management Services	\$ 277,373	\$ —	\$ 277,373	\$ 13,455	\$ 9,133
Customer Growth Services	30,829	—	30,829	717	1,564
Customer Technology Services	34,658	(95)	34,563	1,772	4,158
Customer Strategy Services	16,271	—	16,271	571	945
Total	<u>\$ 359,131</u>	<u>\$ (95)</u>	<u>\$ 359,036</u>	<u>\$ 16,515</u>	<u>\$ 15,800</u>

Three Months Ended September 30, 2016

	Gross Revenue	Intersegment Sales	Net Revenue	Depreciation & Amortization	Income (Loss) from Operations
Customer Management Services	\$ 223,742	\$ (78)	\$ 223,664	\$ 11,891	\$ 12,255
Customer Growth Services	35,301	—	35,301	1,561	161
Customer Technology Services	36,871	(291)	36,580	2,457	3,776
Customer Strategy Services	17,251	—	17,251	902	(3,666)
Total	<u>\$ 313,165</u>	<u>\$ (369)</u>	<u>\$ 312,796</u>	<u>\$ 16,811</u>	<u>\$ 12,526</u>

Nine Months Ended September 30, 2017

	Gross Revenue	Intersegment Sales	Net Revenue	Depreciation & Amortization	Income (Loss) from Operations
Customer Management Services	\$ 798,527	\$ (19)	\$ 798,508	\$ 37,843	\$ 43,804
Customer Growth Services	96,890	—	96,890	2,249	6,295
Customer Technology Services	105,337	(283)	105,054	5,377	11,034
Customer Strategy Services	50,290	—	50,290	1,804	2,746
Total	<u>\$ 1,051,044</u>	<u>\$ (302)</u>	<u>\$ 1,050,742</u>	<u>\$ 47,273</u>	<u>\$ 63,879</u>

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Nine Months Ended September 30, 2016

	Gross Revenue	Intersegment Sales	Net Revenue	Depreciation & Amortization	Income (Loss) from Operations
Customer Management Services	\$ 664,647	\$ (255)	\$ 664,392	\$ 36,024	\$ 36,189
Customer Growth Services	105,713	—	105,713	4,943	4,138
Customer Technology Services	109,720	(522)	109,198	8,187	9,932
Customer Strategy Services	51,008	—	51,008	2,607	(3,752)
Total	\$ 931,088	\$ (777)	\$ 930,311	\$ 51,761	\$ 46,507

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Capital Expenditures				
Customer Management Services	\$ 12,732	\$ 8,515	\$ 36,701	\$ 29,751
Customer Growth Services	346	375	708	3,546
Customer Technology Services	1,180	1,864	6,025	4,877
Customer Strategy Services	85	366	498	689
Total	\$ 14,343	\$ 11,120	\$ 43,932	\$ 38,863

	September 30, 2017	December 31, 2016
Total Assets		
Customer Management Services	\$ 713,377	\$ 585,679
Customer Growth Services	60,086	71,540
Customer Technology Services	106,372	115,537
Customer Strategy Services	69,683	73,548
Total	\$ 949,518	\$ 846,304

	September 30, 2017	December 31, 2016
Goodwill		
Customer Management Services	\$ 79,391	\$ 42,589
Customer Growth Services	24,439	24,439
Customer Technology Services	40,839	41,500
Customer Strategy Services	21,915	21,120
Total	\$ 166,584	\$ 129,648

The following table presents revenue based upon the geographic location where the services are provided (in thousands):

Revenue	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
United States	\$ 197,664	\$ 166,993	\$ 570,305	\$ 507,819
Philippines	86,938	90,692	258,360	259,898
Latin America	31,361	30,832	96,301	90,154
Canada	18,937	891	56,035	3,020
Europe / Middle East / Africa	14,892	15,604	45,555	49,100
Asia Pacific	9,244	7,784	24,186	20,320
Total	\$ 359,036	\$ 312,796	\$ 1,050,742	\$ 930,311

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

(4) SIGNIFICANT CLIENTS AND OTHER CONCENTRATIONS

The Company had no clients that contributed in excess of 10% of total revenue for the nine months ended September 30, 2017. The Company had one client that contributed in excess of 10% of total revenue for the nine months ended September 30, 2016. This client operates in the communications industry and is included in the CMS segment. This client contributed 9.5% and 10.4% of total revenue for the nine months ended September 30, 2017 and 2016, respectively. The Company does have several other clients with revenue exceeding \$100 million annually and the loss of one or more of these clients could have a material adverse effect on the Company's business, operating results, or financial condition.

To limit the Company's credit risk with its clients, management performs periodic credit evaluations, maintains allowances for uncollectible accounts and may require pre-payment for services from certain clients. Based on currently available information, management does not believe significant credit risk existed as of September 30, 2017.

(5) GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill consisted of the following (in thousands):

	December 31, 2016	Acquisitions / Adjustments	Impairments	Effect of Foreign Currency	September 30, 2017
Customer Management Services	\$ 42,589	\$ 34,662	\$ —	\$ 2,140	\$ 79,391
Customer Growth Services	24,439	—	—	—	24,439
Customer Technology Services	41,500	(661)	—	—	40,839
Customer Strategy Services	21,120	—	—	795	21,915
Total	<u>\$ 129,648</u>	<u>\$ 34,001</u>	<u>\$ —</u>	<u>\$ 2,935</u>	<u>\$ 166,584</u>

The Company performs a goodwill impairment assessment on at least an annual basis. The Company conducts its annual goodwill impairment assessment during the fourth quarter, or more frequently, if indicators of impairment exist. During the quarter ended September 30, 2017, the Company assessed whether any such indicators of impairment existed and concluded there were none.

During the quarter ended September 30, 2016, the Company identified negative indicators such as lower financial performance and the reversal of contingent consideration for the CSS reporting unit and thus the Company updated its quantitative assessment for the CSS reporting unit fair value using an income based approach. The determination of fair value requires significant judgments including estimation of future cash flows, which is dependent on internal forecasts, estimation of the long-term growth rates for the businesses, the useful lives over which the cash flows will occur and determination of appropriate discount rates (based in part on the Company's weighted average cost of capital). Changes in these estimates and assumptions could materially affect the determination of fair value and/or conclusions on goodwill impairment for each reporting unit. At September 30, 2016, the fair value for the CSS reporting unit exceeded the carrying value, and thus no impairment was required.

The Company has also determined that effective September 30, 2016 the assets of one of the business units within the CSS reporting unit will be held for sale (see discussion in Note 2). Therefore the CSS reporting unit was separated into the component that will be held for sale and the components that will be held for use and two separate fair value analyses were completed. At September 30, 2016 the fair value for the CSS held for use component exceeded the carrying value and thus no impairment was required. The fair value for the CSS held for sale component also exceeded the carrying value, and thus no impairment was required.

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

CSS – component held-for-sale

The Company calculated the fair value of the trade name using a relief from royalty method based on forecasted revenues sold under the trade name using significant inputs not observable in the market (Level 3 inputs). The valuation assumptions included an estimated royalty rate of 3.75%, a discount rate specific to the trade name of 19.2% and a perpetuity growth rate of 3.0%. Based on the calculated fair value of \$2.0 million, the Company recorded impairment expense of \$3.3 million in the three months ended September 30, 2016 which was included in impairment losses in the Consolidated Statements of Comprehensive Income (Loss).

Other Intangible Assets

In connection with reduced profitability for the Avaya component of the CTS segment an interim impairment analysis was completed during the third quarter of 2016. The Company will modify the sales focus of the Avaya component away from premise product and services towards cloud solutions. The indefinite-lived intangible asset evaluated for impairment consisted of the TSG trade name. The Company calculated the fair value of the trade name using a relief from royalty method based on forecasted revenues sold under the trade name using significant inputs not observable in the market (Level 3 inputs). The valuation assumptions included an estimated royalty rate of 0.5%, a discount rate specific to the trade name of 19.0%, which is equal to the reporting unit's equity risk premium adjusted for its size and company specific risk factors, and a perpetuity growth rate of 3.0%. Based on the calculated fair value of \$0.4 million, the Company recorded impairment expense of \$0.7 million in the three months ended September 30, 2016 which was included in impairment losses in the Consolidated Statements of Comprehensive Income (Loss).

In connection with reduced profitability of the rogenSi component of the CSS segment, an interim impairment analysis was completed during the third quarter of 2016. The indefinite-lived intangible asset evaluated for impairment consisted of the trade name. The Company calculated the fair value of the trade name using a relief from royalty method based on forecasted revenues sold under the trade name using significant inputs not observable in the market (Level 3 inputs). The valuation assumptions included an estimated royalty rate of 2.0%, a discount rate specific to the trade name of 18.2%, which is equal to the reporting unit's equity risk premium adjusted for its size and company specific risk factors, and a perpetuity growth rate of 3.0%. Based on the calculated fair value of \$3.1 million, the Company recorded impairment expense of \$1.2 million in the three months ended September 30, 2016 which was included in impairment losses in the Consolidated Statements of Comprehensive Income (Loss).

(6) DERIVATIVES

Cash Flow Hedges

The Company enters into foreign exchange and interest rate related derivatives. Foreign exchange derivatives entered into consist of forward and option contracts to reduce the Company's exposure to foreign currency exchange rate fluctuations that are associated with forecasted revenue earned in foreign locations. Interest rate derivatives consist of interest rate swaps to reduce the Company's exposure to interest rate fluctuations associated with its variable rate debt. Upon proper qualification, these contracts are designated as cash flow hedges. It is the Company's policy to only enter into derivative contracts with investment grade counterparty financial institutions, and correspondingly, the fair value of derivative assets consider, among other factors, the creditworthiness of these counterparties. Conversely, the fair value of derivative liabilities reflects the Company's creditworthiness. As of September 30, 2017, the Company has not experienced, nor does it anticipate, any issues related to derivative counterparty defaults. The following table summarizes the aggregate unrealized net gain or loss in Accumulated other comprehensive income (loss) for the three and nine months ended September 30, 2017 and 2016 (in thousands and net of tax):

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Aggregate unrealized net gain/(loss) at beginning of period	\$ (19,730)	\$ (25,007)	\$ (32,393)	\$ (26,885)
Add: Net gain/(loss) from change in fair value of cash flow hedges	5,420	631	25,290	9,519
Less: Net (gain)/loss reclassified to earnings from effective hedges	(3,487)	(4,179)	(10,694)	(11,189)
Aggregate unrealized net gain/(loss) at end of period	<u>\$ (17,797)</u>	<u>\$ (28,555)</u>	<u>\$ (17,797)</u>	<u>\$ (28,555)</u>

The Company's foreign exchange cash flow hedging instruments as of September 30, 2017 and December 31, 2016 are summarized as follows (amounts in thousands). All hedging instruments are forward contracts.

	Local Currency Notional Amount	U.S. Dollar Notional Amount	% Maturing in the next 12 months	Contracts Maturing Through
As of September 30, 2017				
Philippine Peso	10,490,000	218,413 ⁽¹⁾	53.2 %	August 2021
Mexican Peso	1,774,000	104,652	37.2 %	May 2021
		<u>\$ 323,065</u>		
As of December 31, 2016				
Philippine Peso	14,315,000	301,134 ⁽¹⁾		
Mexican Peso	2,089,000	129,375		
		<u>\$ 430,509</u>		

(1) Includes contracts to purchase Philippine pesos in exchange for New Zealand dollars and Australian dollars, which are translated into equivalent U.S. dollars on September 30, 2017 and December 31, 2016.

The Company's interest rate swap arrangement expired as of May 31, 2017 and no additional swaps have been entered into. As of December 31, 2016, the outstanding interest rate swap was as follows:

	Notional Amount	Variable Rate Received	Fixed Rate Paid	Contract Commencement Date	Contract Maturity Date
December 31, 2016					
Swap	\$ 15 million	1 - month LIBOR	3.14 %	May 2012	May 2017

Fair Value Hedges

The Company enters into foreign exchange forward contracts to economically hedge against foreign currency exchange gains and losses on certain receivables and payables of the Company's foreign operations. Changes in the fair value of derivative instruments designated as fair value hedges are recognized in earnings in Other income (expense), net. As of September 30, 2017 and December 31, 2016 the total notional amounts of the Company's forward contracts used as fair value hedges were \$167.1 million and \$227.8 million, respectively.

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Derivative Valuation and Settlements

The Company's derivatives as of September 30, 2017 and December 31, 2016 were as follows (in thousands):

<u>Designation:</u>	September 30, 2017		
	Designated as Hedging Instruments		Not Designated as Hedging Instruments
	Foreign Exchange Cash Flow	Interest Rate Cash Flow	Foreign Exchange Fair Value
	Foreign Exchange Cash Flow	Interest Rate Cash Flow	Foreign Exchange Fair Value
<u>Derivative contract type:</u>			
<u>Derivative classification:</u>			
Fair value and location of derivative in the Consolidated Balance Sheet:			
Prepays and other current assets	\$ 55	\$ —	\$ 355
Other long-term assets	594	—	—
Other current liabilities	(17,071)	—	(447)
Other long-term liabilities	(13,051)	—	—
Total fair value of derivatives, net	\$ (29,473)	\$ —	\$ (92)
	December 31, 2016		
<u>Designation:</u>	Designated as Hedging Instruments		Not Designated as Hedging Instruments
<u>Derivative contract type:</u>	Foreign Exchange Cash Flow	Interest Rate Cash Flow	Foreign Exchange Fair Value
<u>Derivative classification:</u>	Foreign Exchange Cash Flow	Interest Rate Cash Flow	Foreign Exchange Fair Value
Fair value and location of derivative in the Consolidated Balance Sheet:			
Prepays and other current assets	\$ 1,178	\$ —	\$ 1,606
Other long-term assets	—	—	—
Other current liabilities	(23,503)	(147)	(866)
Other long-term liabilities	(31,714)	—	—
Total fair value of derivatives, net	\$ (54,039)	\$ (147)	\$ 740

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

The effects of derivative instruments on the Consolidated Statements of Comprehensive Income (Loss) for the three months ended September 30, 2017 and 2016 were as follows (in thousands):

Designation:	Three Months Ended September 30,			
	2017		2016	
	Designated as Hedging Instruments		Designated as Hedging Instruments	
	Foreign Exchange Cash Flow	Interest Rate Cash Flow	Foreign Exchange Cash Flow	Interest Rate Cash Flow
Amount of gain or (loss) recognized in Other comprehensive income (loss) - effective portion, net of tax	\$ (3,487)	\$ —	\$ (4,119)	\$ (60)
Amount and location of net gain or (loss) reclassified from Accumulated OCI to income - effective portion:				
Revenue	\$ (5,812)	\$ —	\$ (7,103)	\$ —
Interest expense	—	—	—	(104)

Designation:	Three Months Ended September 30,			
	2017		2016	
	Not Designated as Hedging Instruments Foreign Exchange		Not Designated as Hedging Instruments Foreign Exchange	
	Forward Contracts	Fair Value	Forward Contracts	Fair Value
Amount and location of net gain or (loss) recognized in the Consolidated Statement of Comprehensive Income (Loss):				
Costs of services	\$ —	\$ —	\$ —	\$ —
Other income (expense), net	\$ —	\$ (1,186)	\$ —	\$ (3,674)

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

The effects of derivative instruments on the Consolidated Statements of Comprehensive Income (Loss) for the nine months ended September 30, 2017 and 2016 were as follows (in thousands):

	Nine Months Ended September 30,			
	2017		2016	
	Designated as Hedging Instruments		Designated as Hedging Instruments	
	Foreign Exchange	Interest Rate	Foreign Exchange	Interest Rate
Derivative contract type:	Cash Flow	Cash Flow	Cash Flow	Cash Flow
Derivative classification:				
Amount of gain or (loss) recognized in Other comprehensive income (loss) - effective portion, net of tax	\$ (10,625)	\$ (69)	\$ (10,939)	\$ (252)
Amount and location of net gain or (loss) reclassified from Accumulated OCI to income - effective portion:				
Revenue	\$ (17,709)	\$ —	\$ (18,860)	\$ —
Interest expense	—	(115)	—	(435)

	Nine Months Ended September 30,			
	2017		2016	
	Not Designated as Hedging Instruments		Not Designated as Hedging Instruments	
	Foreign Exchange		Foreign Exchange	
Derivative contract type:	Forward Contracts	Fair Value	Forward Contracts	Fair Value
Derivative classification:				
Amount and location of net gain or (loss) recognized in the Consolidated Statement of Comprehensive Income (Loss):				
Costs of services	\$ —	\$ —	\$ —	\$ —
Other income (expense), net	\$ —	\$ (1,545)	\$ —	\$ (3,616)

(7) FAIR VALUE

The authoritative guidance for fair value measurements establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires that the Company maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

- Level 1 — Quoted prices in active markets for identical assets or liabilities.
- Level 2 — Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets, similar assets and liabilities in markets that are not active or can be corroborated by observable market data.
- Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

The following presents information as of September 30, 2017 and December 31, 2016 for the Company's assets and liabilities required to be measured at fair value on a recurring basis, as well as the fair value hierarchy used to determine their fair value.

Accounts Receivable and Payable - The amounts recorded in the accompanying balance sheets approximate fair value because of their short-term nature.

Investments - The Company measures investments, including cost and equity method investments, at fair value on a nonrecurring basis when they are deemed to be other-than-temporarily impaired. The fair values of these investments are determined based on valuation techniques using the best information available, and may include market observable inputs, and discounted cash flow projections. An impairment charge is recorded when the cost of the investment exceeds its fair value and this condition is determined to be other-than-temporary. As of September 30, 2017, the investment in CaféX Communication, Inc., which consists of the Company's first quarter 2015 \$9.0 million investment, the fourth quarter 2016 \$3.2 million investment and the first quarter 2017 \$1.1 million investment, is recorded at \$13.3 million which approximates fair value.

Debt - The Company's debt consists primarily of the Company's Credit Agreement, which permits floating-rate borrowings based upon the current Prime Rate or LIBOR plus a credit spread as determined by the Company's leverage ratio calculation (as defined in the Credit Agreement). As of September 30, 2017 and December 31, 2016, the Company had \$255.0 million and \$217.3 million, respectively, of borrowings outstanding under the Credit Agreement. During the third quarter of 2017 outstanding borrowings accrued interest at an average rate of 2.3% per annum, excluding unused commitment fees. The amounts recorded in the accompanying Balance Sheets approximate fair value due to the variable nature of the debt based on Level 2 inputs.

Derivatives - Net derivative assets (liabilities) are measured at fair value on a recurring basis. The portfolio is valued using models based on market observable inputs, including both forward and spot foreign exchange rates, interest rates, implied volatility, and counterparty credit risk, including the ability of each party to execute its obligations under the contract. As of September 30, 2017, credit risk did not materially change the fair value of the Company's derivative contracts.

The following is a summary of the Company's fair value measurements for its net derivative assets (liabilities) as of September 30, 2017 and December 31, 2016 (in thousands):

As of September 30, 2017

	Fair Value Measurements Using			At Fair Value
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Cash flow hedges	\$ —	\$ (29,473)	\$ —	\$ (29,473)
Interest rate swaps	—	—	—	—
Fair value hedges	—	(92)	—	(92)
Total net derivative asset (liability)	\$ —	\$ (29,565)	\$ —	\$ (29,565)

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

As of December 31, 2016

	Fair Value Measurements Using			At Fair Value
	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs	
	(Level 1)	(Level 2)	(Level 3)	
Cash flow hedges	\$ —	\$ (54,039)	\$ —	\$ (54,039)
Interest rate swaps	—	(147)	—	(147)
Fair value hedges	—	740	—	740
Total net derivative asset (liability)	\$ —	\$ (53,446)	\$ —	\$ (53,446)

The following is a summary of the Company's fair value measurements as of September 30, 2017 and December 31, 2016 (in thousands):

As of September 30, 2017

	Fair Value Measurements Using		
	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
	(Level 1)	(Level 2)	(Level 3)
Assets			
Derivative instruments, net	\$ —	\$ —	\$ —
Total assets	\$ —	\$ —	\$ —
Liabilities			
Deferred compensation plan liability	\$ —	\$ (12,624)	\$ —
Derivative instruments, net	—	(29,565)	—
Contingent consideration	—	—	(1,178)
Total liabilities	\$ —	\$ (42,189)	\$ (1,178)

As of December 31, 2016

	Fair Value Measurements Using		
	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
	(Level 1)	(Level 2)	(Level 3)
Assets			
Derivative instruments, net	\$ —	\$ —	\$ —
Total assets	\$ —	\$ —	\$ —
Liabilities			
Deferred compensation plan liability	\$ —	\$ (10,841)	\$ —
Derivative instruments, net	—	(53,446)	—
Contingent consideration	—	—	(1,808)
Total liabilities	\$ —	\$ (64,287)	\$ (1,808)

Deferred Compensation Plan — The Company maintains a non-qualified deferred compensation plan structured as a Rabbi trust for certain eligible employees. Participants in the deferred compensation plan select from a menu of phantom investment options for their deferral dollars offered by the Company each year, which are based upon changes in value of complementary, defined market investments. The deferred compensation liability represents the combined values of market investments against which participant accounts are tracked.

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Contingent Consideration — The Company recorded contingent consideration related to the acquisitions of rogenSi and Atelka. These contingent payables were recognized at fair value using a discounted cash flow approach and a discount rate of 4.6% and 0%, respectively. The discount rates vary dependent on the specific risks of each acquisition including the country of operation, the nature of services and complexity of the acquired business, and other similar factors. These measurements were based on significant inputs not observable in the market. The Company recorded interest expense each period using the effective interest method until the future value of these contingent payables reached their expected future value. Interest expense related to all recorded contingent payables is included in Interest expense in the Consolidated Statements of Comprehensive Income (Loss).

The Company recorded contingent consideration related to a revenue servicing agreement with Welltok in the fourth quarter of 2016, in which a maximum of \$1.25 million will be paid over eight quarters based on the dollar value of revenue earned by the Company. The contingent payable was recognized at fair value of \$1.25 million as of December 31, 2016. As required, the first payment of \$435 thousand was completed during the second quarter of 2017. As required, the second payment of \$239 thousand was completed during the third quarter of 2017.

A rollforward of the activity in the Company's fair value of the contingent consideration payable is as follows (in thousands):

	December 31, 2016	Acquisitions	Payments	Imputed Interest / Adjustments	September 30, 2017
Welltok	\$ 1,250	\$ —	\$ (674)	\$ —	\$ 576
Atelka	558	—	—	44	602
Total	<u>\$ 1,808</u>	<u>\$ —</u>	<u>\$ (674)</u>	<u>\$ 44</u>	<u>\$ 1,178</u>

(8) INCOME TAXES

The Company accounts for income taxes in accordance with the accounting literature for income taxes, which requires recognition of deferred tax assets and liabilities for the expected future income tax consequences of transactions that have been included in the Consolidated Financial Statements. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial statement and tax basis of assets and liabilities using tax rates in effect for the year in which the differences are expected to reverse. Quarterly, the Company assesses the likelihood that its net deferred tax assets will be recovered. Based on the weight of all available evidence, both positive and negative, the Company records a valuation allowance against deferred tax assets when it is more-likely-than-not that a future tax benefit will not be realized.

In accordance with ASC 740, the Company recorded a liability during the first quarter of 2016 of \$1.1 million, inclusive of penalties and interest, for uncertain tax positions. See Note 1 for further information on this item.

During the second quarter of 2016, \$0.3 million of liability was released due to the closing of a statute of limitations.

During the third quarter of 2016, \$0.8 million of liability was released due to the favorable outcome of communications with a revenue authority related to site compliance for locations with tax advantaged status.

During the third quarter of 2016, \$0.5 million of liability was released due to the closing of a statute of limitations.

As of September 30, 2017, the Company had \$31.0 million of gross deferred tax assets (after a \$10.5 million valuation allowance) and net deferred tax assets (after deferred tax liabilities) of \$30.8 million related to the U.S. and international tax jurisdictions whose recoverability is dependent upon future profitability.

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

The effective tax rate for the three and nine months ended September 30, 2017 was 11.7% and 15.0%, respectively. The effective tax rate for the three and nine months ended September 30, 2016 was (6.9)% and 15.2%, respectively.

The Company's U.S. income tax returns filed for the tax years ending December 31, 2014 to present remain open tax years. The Company has been notified of the intent to audit, or is currently under audit of, income taxes for Canada for tax years 2009 and 2010, the state of Michigan in the United States for tax years 2012 through 2015, for the Philippines branch for tax year 2015, for Belgium for tax years 2014 and 2015, and for eLoyalty in Ireland for tax year 2016. Although the outcome of examinations by taxing authorities are always uncertain, it is the opinion of management that the resolution of these audits will not have a material effect on the Company's Consolidated Financial Statements. During the third quarter of 2017, the Company closed the audit in Hong Kong for 2014 with no changes. Additionally, during the second quarter of 2016, the Company successfully closed the audit in the U.S. for the acquired entity Technology Solutions Group for the tax year 2012 (prior to acquisition) with no changes. The Company also closed in the fourth quarter of 2016 the audit in New Zealand for tax years 2013 and 2014 with no changes.

The Company has been granted "Tax Holidays" as an incentive to attract foreign investment by the government of the Philippines. Generally, a Tax Holiday is an agreement between the Company and a foreign government under which the Company receives certain tax benefits in that country, such as exemption from taxation on profits derived from export-related activities. In the Philippines, the Company has been granted multiple agreements with an initial period of four years and additional periods for varying years, expiring at various times between 2011 and 2020. The aggregate effect on income tax expense for the three months ended September 30, 2017 and 2016 was approximately \$2.8 million and \$2.0 million, respectively, which had a favorable impact on diluted net income per share of \$0.06 and \$0.04, respectively. The aggregate effect on income tax expense for the nine months ended September 30, 2017 and 2016 was approximately \$8.9 million and \$4.5 million, respectively, which had a favorable impact on diluted net income per share of \$0.19 and \$0.10, respectively.

(9) RESTRUCTURING CHARGES, INTEGRATION CHARGES AND IMPAIRMENT LOSSES

Restructuring Charges

During the three and nine months ended September 30, 2017 and 2016, the Company continued restructuring activities primarily associated with reductions in the Company's capacity, workforce and related management in several of the segments to better align the capacity and workforce with current business needs.

During the three and nine months ended September 30, 2017, several restructuring activities were completed regarding the purchase of Connexions (see Note 2). Several of the delivery centers that were included in the purchase will be closed over the next few quarters. During the second quarter of 2017, a \$1.7 million severance accrual was recorded in relation to these closures and included in the Consolidated Statements of Comprehensive Income (Loss) for the quarter ended June 30, 2017. In conjunction with closing one delivery center, a \$0.6 million termination fee was recorded in the third quarter of 2017. During the third quarter of 2017, the severance accrual was reviewed and a reversal of \$0.7 million was recorded as of September 30, 2017. These charges and reversals were included in the Consolidated Statements of Comprehensive Income (Loss) during the quarter ended September 30, 2017.

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

A summary of the expenses recorded in Restructuring and integration charges, net in the accompanying Consolidated Statements of Comprehensive Income (Loss) for the three and nine months ended September 30, 2017 and 2016, respectively, is as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Reduction in force				
Customer Management Services	\$ (213)	\$ 2,485	\$ 1,548	\$ 2,482
Customer Growth Services	—	108	—	108
Customer Technology Services	—	314	93	324
Customer Strategy Services	13	82	13	92
Total	<u>\$ (200)</u>	<u>\$ 2,989</u>	<u>\$ 1,654</u>	<u>\$ 3,006</u>
Facility exit and other charges				
Customer Management Services	\$ 600	\$ 699	\$ 642	\$ 852
Customer Growth Services	—	—	—	—
Customer Technology Services	—	—	84	33
Customer Strategy Services	21	—	21	—
Total	<u>\$ 621</u>	<u>\$ 699</u>	<u>\$ 747</u>	<u>\$ 885</u>

A rollforward of the activity in the Company's restructuring accruals is as follows (in thousands):

	Reduction in Force	Facility Exit and Other Charges	Total
Balance as of December 31, 2016	\$ 1,468	\$ 98	\$ 1,566
Expense	2,384	747	3,131
Payments	(987)	(841)	(1,828)
Change due to foreign currency	(23)	—	(23)
Change in estimates	(730)	—	(730)
Balance as of September 30, 2017	<u>\$ 2,112</u>	<u>\$ 4</u>	<u>\$ 2,116</u>

The remaining restructuring and other accruals are expected to be paid or extinguished during the next twelve months and are all classified as current liabilities within Other accrued expenses in the Consolidated Balance Sheets.

Integration Charges

During the three months ended September 30, 2017, as a result of the Connexions acquisition, certain integration activities were completed and \$5.6 million of additional expenses were incurred and paid. These integration activities included the hiring, training and licensing of a group of employees at new delivery centers as one of the acquired centers was closed during the third quarter of 2017 and one of the acquired centers will be closed during the fourth quarter of 2017. The Company has also incurred significant expenses related to the integration of the IT systems and has paid duplicative software costs and facilities expenses for several areas during the transition period.

**TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)**

(10) COMMITMENTS AND CONTINGENCIES

Credit Facility

On February 11, 2016, the Company entered into a First Amendment to its June 3, 2013 Amended and Restated Credit Agreement and Amended and Restated Security Agreement (collectively the "Credit Agreement") for a senior secured revolving credit facility (the "Credit Facility") with a syndicate of lenders led by Wells Fargo Bank, National Association. The Credit Agreement provides for a secured revolving credit facility that matures on February 11, 2021 with an initial maximum aggregate commitment of \$900.0 million, and an accordion feature of up to \$1.2 billion in the aggregate, if certain conditions are satisfied.

On October 30, 2017, the Company entered into a Third Amendment to the Credit Agreement and exercised the Credit Facility's accordion feature to increase the total commitment under the Credit Facility to \$1.2 billion. All other material terms of the Credit Agreement remained unchanged.

Base rate loans bear interest at a rate equal to the greatest of (i) Wells Fargo's prime rate, (ii) one half of 1% in excess of the federal funds effective rate, and (iii) 1.25% in excess of the one month London Interbank Offered Rate ("LIBOR"); plus in each case a margin of 0% to 0.75% based on the Company's net leverage ratio. Eurodollar loans bear interest at LIBOR plus a margin of 1.0% to 1.75% based on the Company's net leverage ratio. Alternate currency loans bear interest at rates applicable to their respective currencies.

Letter of credit fees are one eighth of 1% of the stated amount of the letter of credit on the date of issuance, renewal or amendment, plus an annual fee equal to the borrowing margin for Eurodollar loans.

The Credit Facility commitment fees are payable to the lenders in an amount equal to the unused portion of the Credit Facility at a rate of 0.125% to 0.250% based on the Company's net leverage ratio.

The Company is obligated to maintain a maximum net leverage ratio of 3.25 to 1.00, and a minimum interest coverage ratio of 2.50 to 1.00.

The Company primarily utilizes its Credit Agreement to fund working capital, general operations, stock repurchases, dividends and other strategic activities, such as the acquisitions described in Note 2. As of September 30, 2017 and December 31, 2016, the Company had borrowings of \$255.0 million and \$217.3 million, respectively, under its Credit Agreement, and its average daily utilization was \$474.3 million and \$359.5 million for the nine months ended September 30, 2017 and 2016, respectively. Based on the current level of availability based on the covenant calculations, the Company's remaining borrowing capacity was approximately \$390.0 million as of September 30, 2017. As of September 30, 2017, the Company was in compliance with all covenants and conditions under its Credit Agreement.

Letters of Credit

As of September 30, 2017, outstanding letters of credit under the Credit Agreement totaled \$3.9 million and primarily guaranteed workers' compensation and other insurance related obligations. As of September 30, 2017, letters of credit and contract performance guarantees issued outside of the Credit Agreement totaled \$7.6 million.

Legal Proceedings

From time to time, the Company has been involved in legal actions, both as plaintiff and defendant, which arise in the ordinary course of business. The Company accrues for exposures associated with such legal actions to the extent that losses are deemed both probable and reasonably estimable. To the extent specific reserves have not been made for certain legal proceedings, their ultimate outcome, and consequently, an estimate of possible loss, if any, cannot reasonably be determined at this time.

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Based on currently available information and advice received from counsel, the Company believes that the disposition or ultimate resolution of any current legal proceedings, except as otherwise specifically reserved for in its financial statements, will not have a material adverse effect on the Company's financial position, cash flows or results of operations.

(11) NONCONTROLLING INTEREST

The following table reconciles equity attributable to noncontrolling interest (in thousands):

	Nine Months Ended September 30,	
	2017	2016
Noncontrolling interest, January 1	\$ 6,981	\$ 7,201
Net income attributable to noncontrolling interest	2,828	2,804
Dividends distributed to noncontrolling interest	(2,745)	(2,745)
Foreign currency translation adjustments	325	(70)
Equity-based compensation expense	(291)	96
Other	—	10
Noncontrolling interest, September 30	\$ 7,098	\$ 7,296

(12) MANDATORILY REDEEMABLE NONCONTROLLING INTEREST

The Company held an 80% interest in iKnowtion until January 1, 2016 when the additional 20% was purchased. In the event iKnowtion met certain EBITDA targets for calendar year 2015, the purchase and sale agreement required TeleTech to purchase the remaining 20% interest in iKnowtion in 2016 for an amount equal to a multiple of iKnowtion's 2015 EBITDA as defined in the purchase and sale agreement. These terms represented a contingent redemption feature which the Company determined was probable of being achieved.

Based on final EBITDA for 2015, the payment for the remaining 20% was completed in April 2016 for the value shown in the table below in accordance with the purchase and sale agreement.

The Company recorded the mandatorily redeemable noncontrolling interest at the redemption value based on the corresponding EBITDA multiples as prescribed in the purchase and sale agreement at the end of each reporting period. At the end of each reporting period the changes in the redemption value were recorded in retained earnings. Since the EBITDA multiples as defined in the purchase and sale agreement were below the current market multiple, the Company determined that there was no preferential treatment to the noncontrolling interest shareholders resulting in no impact to earnings per share.

A rollforward of the mandatorily redeemable noncontrolling interest is included in the table below (in thousands).

	Nine Months Ended September 30,	
	2017	2016
Mandatorily redeemable noncontrolling interest, January 1	\$ —	\$ 4,131
Net income attributable to mandatorily redeemable noncontrolling interest	—	—
Working capital distributed to mandatorily redeemable noncontrolling interest	—	(492)
Change in redemption value	—	466
Purchase of mandatorily redeemable noncontrolling interest	—	(4,105)
Mandatorily redeemable noncontrolling interest, September 30	\$ —	\$ —

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

(13) ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The following table presents changes in the accumulated balance for each component of other comprehensive income (loss), including current period other comprehensive income (loss) and reclassifications out of accumulated other comprehensive income (loss) (in thousands):

	Foreign Currency Translation Adjustment	Derivative Valuation, Net of Tax	Other, Net of Tax	Totals
Accumulated other comprehensive income (loss) at December 31, 2015	\$ (71,196)	\$ (26,885)	\$ (3,284)	\$ (101,365)
Other comprehensive income (loss) before reclassifications	(7,999)	9,519	2,330	3,850
Amounts reclassified from accumulated other comprehensive income (loss)	—	(11,189)	(1,128)	(12,317)
Net current period other comprehensive income (loss)	(7,999)	(1,670)	1,202	(8,467)
Accumulated other comprehensive income (loss) at September 30, 2016	\$ (79,195)	\$ (28,555)	\$ (2,082)	\$ (109,832)
Accumulated other comprehensive income (loss) at December 31, 2016	\$ (92,008)	\$ (32,393)	\$ (2,563)	\$ (126,964)
Other comprehensive income (loss) before reclassifications	8,089	25,290	738	34,117
Amounts reclassified from accumulated other comprehensive income (loss)	—	(10,694)	(352)	(11,046)
Net current period other comprehensive income (loss)	8,089	14,596	386	23,071
Accumulated other comprehensive income (loss) at September 30, 2017	\$ (83,919)	\$ (17,797)	\$ (2,177)	\$ (103,893)

The following table presents the classification and amount of the reclassifications from Accumulated other comprehensive income (loss) to the statement of comprehensive income (loss) (in thousands):

	For the Three Months Ended September 30,		Statement of Comprehensive Income (Loss) Classification
	2017	2016	
Derivative valuation			
Loss on foreign currency forwards	\$ (5,812)	\$ (7,103)	Revenue
Loss on interest rate swaps	—	(104)	Interest expense
Tax effect	2,325	3,028	Provision for income taxes
	\$ (3,487)	\$ (4,179)	Net income (loss)
Other			
Actuarial loss on defined benefit plan	\$ (130)	\$ (804)	Cost of services
Tax effect	13	80	Provision for income taxes
	\$ (117)	\$ (724)	Net income (loss)

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

	For the Nine Months Ended September 30,			Statement of
	2017	2016		Comprehensive Income (Loss) Classification
Derivative valuation				
Loss on foreign currency forwards	\$ (17,709)	\$ (18,860)		Revenue
Loss on interest rate swaps	(115)	(435)		Interest expense
Tax effect	7,130	8,106		Provision for income taxes
	<u>\$ (10,694)</u>	<u>\$ (11,189)</u>		Net income (loss)
Other				
Actuarial loss on defined benefit plan	\$ (391)	\$ (1,252)		Cost of services
Tax effect	39	124		Provision for income taxes
	<u>\$ (352)</u>	<u>\$ (1,128)</u>		Net income (loss)

(14) NET INCOME PER SHARE

The following table sets forth the computation of basic and diluted shares for the periods indicated (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Shares used in basic earnings per share calculation	45,838	47,081	45,816	47,771
Effect of dilutive securities:				
Stock options	10	6	9	11
Restricted stock units	517	214	513	292
Performance-based restricted stock units	2	14	10	15
Total effects of dilutive securities	529	234	532	318
Shares used in dilutive earnings per share calculation	<u>46,367</u>	<u>47,315</u>	<u>46,348</u>	<u>48,089</u>

For the three months ended September 30, 2017 and 2016, options to purchase 0.0 million and 0.1 million shares of common stock, respectively, were outstanding, but not included in the computation of diluted net income per share because the exercise price exceeded the value of the shares and the effect would have been anti-dilutive. For the nine months ended September 30, 2017 and 2016, options to purchase 0.0 million and 0.1 million shares of common stock, respectively, were outstanding, but not included in the computation of diluted net income per share because the exercise price exceeded the value of the shares and the effect would have been anti-dilutive. For the three months ended September 30, 2017 and 2016, restricted stock units ("RSUs") of 0.0 million and 0.1 million, respectively, were outstanding, but not included in the computation of diluted net income per share because the effect would have been anti-dilutive. For the nine months ended September 30, 2017 and 2016, RSUs of 0.0 million and 0.1 million, respectively, were outstanding, but not included in the computation of diluted net income per share because the effect would have been anti-dilutive.

TELETECH HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

(15) EQUITY-BASED COMPENSATION PLANS

All equity-based awards to employees are recognized in the Consolidated Statements of Comprehensive Income (Loss) at the fair value of the award on the grant date. During the three and nine months ended September 30, 2017 and 2016, the Company recognized total compensation expense of \$3.5 million and \$8.4 million and \$2.7 million and \$7.3 million, respectively. Of the total compensation expense, \$1.4 million and \$2.9 million was recognized in Cost of services and \$2.1 million and \$5.5 million was recognized in Selling, general and administrative during the three and nine months ended September 30, 2017. During the three and nine months ended September 30, 2016, the Company recognized compensation expense of \$1.0 million and \$2.3 million in Cost of services and \$1.7 million and \$5.0 million in Selling, general and administrative, respectively.

Restricted Stock Unit Grants

During the nine months ended September 30, 2017 and 2016, the Company granted 724,951 and 443,875 RSUs, respectively, to new and existing employees, which vest in equal installments over four or five years. The Company recognized compensation expense related to RSUs of \$3.5 million and \$8.7 million for the three and nine months ended September 30, 2017, respectively. The Company recognized compensation expense related to RSUs of \$2.6 million and \$7.2 million for the three and nine months ended September 30, 2016, respectively. As of September 30, 2017, there was approximately \$25.0 million of total unrecognized compensation cost (including the impact of expected forfeitures) related to RSUs granted under the Company's equity plans.

Stock Options

The Company recognized compensation expense related to subsidiary performance options of zero and \$(0.3) million for the three and nine months ended September 30, 2017, respectively. The option benefit for 2017 resulted from the Company concluding that the performance targets of the subsidiary will not be achieved.

(16) RELATED PARTY

The Company entered into an agreement under which Avion, LLC ("Avion") and Airmax LLC ("Airmax") provide certain aviation flight services as requested by the Company. Such services include the use of an aircraft and flight crew. Kenneth D. Tuchman, Chairman and Chief Executive Officer of the Company, has a direct 100% beneficial ownership interest in Avion and Airmax. During the nine months ended September 30, 2017 and 2016, the Company expensed \$0.6 million and \$0.7 million, respectively, to Avion and Airmax for services provided to the Company. There was \$114 thousand in payments due and outstanding to Avion and Airmax as of September 30, 2017.

During 2014, the Company entered into a vendor contract with Convercent Inc. to provide learning management and web and telephony based global helpline solutions. This contract was renewed, after an arms-length market pricing review, in the fourth quarter of 2016. The majority owner of Convercent is a company which is owned and controlled by Kenneth D. Tuchman, Chairman and Chief Executive Officer of the Company. During the nine months ended September 30, 2017 and 2016, the Company paid \$55 thousand and \$75 thousand, respectively.

During 2015, the Company entered into a contract to purchase software from CaféX, which is a company that TeleTech holds a 17.2% equity investment in. During the three and nine months ended September 30, 2017, the Company purchased \$0.0 million and \$0.1 million, respectively, of software from CaféX. See Note 2 for further information regarding this investment.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (“Litigation Reform Act”), relating to our future operations, expected financial condition and prospects, results of operation, continuation of client relationships, and other business matters that are based on our current expectations, assumptions, business strategy, and projections with respect to the future, and are not a guarantee of performance. Forward-looking statements may appear throughout this report, including without limitation, the following sections: Part I, Item 2, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and Part II, Item 1A, “Risk Factors.” Forward-looking statements generally can be identified by words such as “anticipates,” “believes,” “estimates,” “expects,” “intends,” “plans,” “predicts,” “projects,” “will be,” “will continue,” “will likely result,” and similar expressions. When we discuss our strategy, plans, goals, initiatives, or objectives, we are making forward-looking statements. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the Litigation Reform Act.

We caution you not to rely unduly on any forward-looking statements. Actual results may differ materially from what is expressed in the forward-looking statements, and you should review and consider carefully the risks, uncertainties and other factors that affect our business and may cause such differences, as outlined but not limited to factors discussed in the “Risk Factors” section of our 2016 Annual Report on Form 10-K. The risk factors we wish for you to be aware of in particular include but are not limited to the risk inherent in the volatile and uncertain economic conditions, the fact that a large portion of our revenue is generated from a limited number of clients and the loss of one or more of these clients or a large portion of one client’s business could adversely affect our results of operations, the risk of client consolidation, the possibility that the current trend among clients to outsource their customer care may not continue, the competitiveness of our markets, the risk of information systems breach and the related impact on our clients and their data, our geographic concentration, the risk inherent in the terms of our contracts that we do not always have the opportunity to negotiate, the risk related to our international footprint, how our foreign currency exchange risk can adversely impact our results of operations, the risk of changes in law that impact our business and our ability to comply with all the laws that relate to our operations, the risk related to the reliability of the information infrastructure that we use and our ability to deliver uninterrupted service to our clients, the risk of not being able to forecast demand for services accurately and the related impact on capacity utilization, our inability to attract and retain qualified and skilled personnel, impact of changing technologies on our services and solutions, the restrictive covenants contained in our credit facility that may impact our ability to execute our strategy and operate our business, the supply chain disruption related risk, the risk to innovation due to unforeseen intellectual property infringement, the risk related to our M&A activity and our ability to identify, acquire and properly integrate acquired businesses in accordance with our strategy, the controlling shareholder risk, and the volatility of our stock price that may result in loss of investment.

The forward-looking statements are based on information available as of the date that this Form 10-Q is filed with the United States Securities and Exchange Commission (“SEC”) and we undertake no obligation to update them, except as may be required by applicable laws. They are based on numerous assumptions and developments that are not within our control. Although we believe these forward-looking statements are reasonable, we cannot assure you they will turn out to be correct.

**ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND
RESULTS OF OPERATIONS**

Executive Summary

TeleTech Holdings, Inc. ("TeleTech", "the Company", "we", "our" or "us") is a leading global provider of technology enabled customer experience services. We help leading brands improve customer experiences and operational effectiveness through a unique combination of technological innovation and operational expertise. Our portfolio of solutions includes consulting, technology, operations and analytics to enable a seamless customer experience across every interaction channel and phase of the customer lifecycle. Our solutions are supported by 49,500 employees delivering services in 23 countries from 92 customer engagement centers on six continents. Our revenue for the quarter ended September 30, 2017 was \$359.0 million.

Since our establishment in 1982, we have helped clients strengthen their customer relationships, brand recognition and loyalty by simplifying and personalizing interactions with their customers. We deliver thought leadership, technology and innovation that create customer strategies designed to differentiate our clients from their competition; data analytics that personalize interactions and increase customer value; and integration services that connect clients' customer relationship management ("CRM") system to a cloud-based collaboration platform, leading to customer interactions that are seamless and relevant.

Our services are value-oriented, outcome-based, and delivered on a global scale across all of our business segments: Customer Management Services ("CMS"), Customer Growth Services ("CGS"), Customer Technology Services ("CTS") and Customer Strategy Services ("CSS"). Our integrated customer experience managed services platform differentiates the Company by combining strategic consulting, data analytics, process optimization, system design and integration, operational excellence, and technology solutions and services.

We have developed tailored expertise in the automotive, communications, financial services, government, healthcare, logistics, media and entertainment, retail, technology, travel and transportation industries. We target customer-focused industry leaders in the Global 1000 and serve approximately 300 global clients.

To improve our competitive position in a rapidly changing market and stay strategically relevant to our clients, we continue to invest in innovation and growth businesses, diversifying our heritage business process outsourcing services of our CMS segment into higher-value consulting, data analytics, digital marketing and technology-enabled services. Of the \$359.0 million in revenue we reported in the current period, approximately 23% or \$81.7 million came from the CGS, CTS and CSS segments, focused on customer-centric strategy, growth and technology-based services, with the remainder of our revenue coming from the heritage business process outsourcing focused CMS segment.

Our strong balance sheet, cash flows from operations and access to debt and capital markets have historically provided us the financial flexibility to effectively fund our organic growth, capital expenditures, strategic acquisitions and incremental investments. Additionally, we continue to return capital to our shareholders via an ongoing stock repurchase program and regular semi-annual dividends. As of September 30, 2017, our cumulative authorized repurchase allowance was \$762.3 million, of which we repurchased 46.1 million shares for \$735.8 million. For the period from September 30, 2017 through October 31, 2017, we did not repurchase any additional shares. The stock repurchase program does not have an expiration date.

On February 24, 2015, our Board of Directors adopted a dividend policy, with the intent to distribute a periodic cash dividend to stockholders of our common stock, after consideration of, among other things, TeleTech's performance, cash flows, capital needs and liquidity factors. Given our cash flow generation and balance sheet strength, we believe cash dividends and early returns to shareholders through share repurchases, in balance with our investments in innovation and strategic acquisitions, align shareholder interests with the needs of the Company. The initial dividend of \$0.18 per common share was paid on March 16, 2015 to shareholders of record as of March 6, 2015. Thereafter, the Company has been paying a semi-annual dividend in October and April of each year in amount ranging between \$0.18 and \$0.22 per common share. On September 21, 2017, the Board of Directors authorized a dividend of \$0.25 per common share, which was paid on October 17, 2017 to shareholders of record as of October 5, 2017.

Our Integrated Service Offerings and Business Segments

We have four operating and reportable segments, which provide an integrated set of services including:

Customer Strategy Services

We typically begin by engaging our clients at a strategic level. Through our strategy and operations, analytics, learning and performance, change management and consulting expertise, we help our clients design, build and execute their customer engagement strategies. We help our clients to better understand and predict their customers' behaviors and preferences along with their current and future economic value. Using proprietary analytic models, we provide the insight clients need to build the business case for customer centricity, to better optimize their marketing spend and then work alongside them to help implement our recommendations. A key component of this segment involves instilling a high performance culture through management and leadership alignment and process optimization.

Customer Technology Services

Once the design of the customer engagement is completed, our ability to architect, deploy and host or manage the client's customer management environment becomes a key enabler to achieving and sustaining the client's customer engagement vision. Given the proliferation of mobile communication technologies and devices, we enable our clients' operations to interact with their customers across the growing array of channels including email, social networks, mobile, web, SMS text, voice and chat. We design, implement and manage cloud, on-premise or hybrid customer management environments to deliver a consistent and superior experience across all touch points on a global scale that we believe result in higher quality, lower costs and reduced risk for our clients. Through our Humanify™ platform, we also provide data-driven context aware software-as-a-service ("SaaS") based solutions that link customers seamlessly and directly to appropriate resources, any time and across any channel.

Customer Management Services

We design and manage clients' front-to-back office processes to deliver just-in-time, personalized, multi-channel interactions. Our front-office solutions seamlessly integrate voice, chat, email, e-commerce and social media to optimize the customer experience for our clients. In addition, we manage certain client back-office processes to enhance their customer-centric view of relationships and maximize operating efficiencies. Our delivery of integrated business processes via our onshore, offshore or work-from-home associates reduces operating costs and allows customer needs to be met more quickly and efficiently, resulting in higher satisfaction, brand loyalty and a stronger competitive position for our clients.

Customer Growth Services

We offer integrated sales and marketing solutions to help our clients boost revenue in new, fragmented or underpenetrated business-to-consumer or business-to-business markets. We deliver approximately \$3 billion in client revenue annually via the discovery, acquisition, growth and retention of customers through a combination of our highly trained, client-dedicated sales professionals and our proprietary Revana Analytic Multichannel Platform™. This platform continuously aggregates individual customer information across all channels into one holistic view so as to ensure more relevant and personalized communications.

Based on our clients' requirements, we provide our services on an integrated cross-business segment and on a discrete basis.

Financial Highlights

In the third quarter of 2017, our revenue increased 14.8% to \$359.0 million over the same period in 2016 including an increase of 0.5% or \$1.7 million due to foreign currency fluctuations. This increase in revenue is comprised of an increase from the Atelka and Connexions acquisitions and organic growth in the CMS and CTS segments. Revenue, adjusted for the \$1.7 million increase related to foreign exchange, increased by \$44.5 million, or 14.2%, over the prior year.

Our third quarter 2017 income from operations increased 26.1% to \$15.8 million or 4.4% of revenue, from \$12.5 million or 4.0% of revenue in the third quarter of 2016. This increase is primarily due to increases in CMS organic and inorganic volumes, a \$3.8 million increase due to foreign currency fluctuations and a deprioritization of certain non-essential businesses and activities, offset by investments to build out, hire and train for the increased fourth quarter 2017 seasonal volumes, which increased third quarter 2017 CMS costs. In addition, income from operations in the third quarter of 2017 and 2016 included \$6.0 million (\$5.6 million of which related to the planned integration of the Connexions acquisition) and \$9.3 million of restructuring and integration charges and asset impairments, respectively.

Our offshore customer engagement centers serve clients based in the U.S. and in other countries and spans five countries with 23,000 workstations, representing 56% of our global delivery capability. Revenue for our CMS and CGS segments that is provided in these offshore locations was \$111 million and represented 36% of our revenue for the third quarter of 2017, as compared to \$111 million and 43% of our revenue for 2016.

Our cash flow from operations and available credit allowed us to finance a significant portion of our capital needs through internally generated cash flows. As of September 30, 2017, we had \$78.8 million of cash and cash equivalents, total debt of \$270.8 million, and a total debt to total capitalization ratio of 40.4%.

We internally target capacity utilization in our customer engagement centers at 80% to 90% of our available workstations. As of September 30, 2017, the overall capacity utilization in our centers was 78%, up from 71%, in the prior period. The table below presents workstation data for all of our centers as of September 30, 2017 and 2016. Our utilization percentage is defined as the total number of utilized production workstations compared to the total number of available production workstations.

	September 30, 2017			September 30, 2016		
	Total Production Workstations	In Use	% In Use	Total Production Workstations	In Use	% In Use
Total centers						
Sites open >1 year	39,856	30,916	78 %	34,538	24,284	70 %
Sites open <1 year	969	949	98 %	1,104	967	88 %
Total workstations	40,825	31,865	78 %	35,642	25,251	71 %

While we continue to see demand from all geographic regions to utilize our offshore delivery capabilities and expect this trend to continue with our clients, some of our clients have regulatory pressures to bring the services onshore to the United States. In light of these trends we plan to continue to selectively retain and grow capacity and expand into new offshore markets, while maintaining appropriate capacity in the United States. As we grow our offshore delivery capabilities and our exposure to foreign currency fluctuations increases, we continue to actively manage this risk via a multi-currency hedging program designed to minimize operating margin volatility.

Recently Issued Accounting Pronouncements

Refer to Part I, Item 1, Financial Statements, Note 1 to the Consolidated Financial Statements for a discussion of recently issued accounting pronouncements.

Critical Accounting Policies and Estimates

Management's Discussion and Analysis of our financial condition and results of operations are based upon our Consolidated Financial Statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses, as well as the disclosure of contingent assets and liabilities. We regularly review our estimates and assumptions. These estimates and assumptions, which are based upon historical experience and on various other factors believed to be reasonable under the circumstances, form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Reported amounts and disclosures may have been different had management used different estimates and assumptions or if different conditions had occurred in the periods presented. For further information, please refer to the discussion of all critical accounting policies in Note 1 of the Notes to the Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2016.

Results of Operations

Three months ended September 30, 2017 compared to three months ended September 30, 2016

The tables included in the following sections are presented to facilitate an understanding of Management's Discussion and Analysis of Financial Condition and Results of Operations and present certain information by segment for the three months ended September 30, 2017 and 2016 (amounts in thousands). All inter-company transactions between the reported segments for the periods presented have been eliminated.

Customer Management Services

	Three Months Ended September 30,		\$ Change	% Change
	2017	2016		
Revenue	\$ 277,373	\$ 223,664	\$ 53,709	24.0 %
Operating Income	9,133	12,255	(3,122)	(25.5)%
Operating Margin	3.3 %	5.5 %		

The increase in revenue for the Customer Management Services segment was attributable to a \$55.3 million net increase in organic and inorganic client programs including the Atelka and Connexions acquisitions and a \$1.4 million increase due to foreign currency fluctuations, offset by program completions of \$3.0 million.

The operating income as a percentage of revenue decreased to 3.3% in the third quarter of 2017 as compared to 5.5% in the prior period. The operating margin decreased due to \$5.6 million of planned restructuring and integration charges for the Connexions acquisition related to severance, center closure costs, the hiring, training and licensing of employees in new delivery centers and the integration of the IT systems, as well as investments to buildout, hire, and train for the increased fourth quarter 2017 seasonal volumes, which necessitated increased third quarter 2017 costs. These were partially offset by higher revenue, a \$3.7 million benefit due to improved foreign exchange trends, increased capacity utilization, and efficiencies realized from the expense rationalization activities completed during the second half of 2016. Included in the operating income was amortization expense related to acquired intangibles of \$1.2 million and \$0.2 million for the quarters ended September 30, 2017 and 2016, respectively.

Customer Growth Services

	Three Months Ended September 30,		\$ Change	% Change
	2017	2016		
Revenue	\$ 30,829	\$ 35,301	\$ (4,472)	(12.7)%
Operating Income	1,564	161	1,403	871.4 %
Operating Margin	5.1 %	0.5 %		

The decrease in revenue for the Customer Growth Services segment was due to a \$1.6 million increase in client programs and a decrease for program completions of \$6.1 million.

The operating income as a percentage of revenue increased to 5.1% in the third quarter of 2017 as compared to 0.5% in the prior period. This increase in margin is related to pricing improvements and other profit optimization actions, along with a reduction in the operating losses for the Digital Marketing unit which we are holding for sale. Included in the operating income was amortization expense related to acquired intangibles of zero and \$0.5 million for the quarters ended September 30, 2017 and 2016, respectively.

Customer Technology Services

	Three Months Ended September 30,		\$ Change	% Change
	2017	2016		
Revenue	\$ 34,563	\$ 36,580	\$ (2,017)	(5.5)%
Operating Income	4,158	3,776	382	10.1 %
Operating Margin	12.0 %	10.3 %		

The decrease in revenue for the Customer Technology Services segment was driven by a decrease in the Avaya offerings as we wound down and then sold the business unit in the second quarter of 2017, offset by revenue increases in the CISCO offerings.

The operating income as a percentage of revenue increased to 12.0% in the third quarter of 2017 as compared to 10.3% in the prior period. This increase is primarily due to a decrease in amortization. Included in the operating income was amortization expense related to acquired intangibles of \$0.3 million and \$1.2 million for the quarters ended September 30, 2017 and 2016, respectively.

Customer Strategy Services

	Three Months Ended September 30,		\$ Change	% Change
	2017	2016		
Revenue	\$ 16,271	\$ 17,251	\$ (980)	(5.7)%
Operating Income	945	(3,666)	4,611	125.8 %
Operating Margin	5.8 %	(21.3)%		

The decrease in revenue for the Customer Strategy Services segment was related to growth in the Content and Collaboration practice offset by decreases in the Mindset and Sales Transformation and Customer Insights practices across multiple delivery regions.

The operating income as a percentage of revenue increased to 5.8% in the third quarter of 2017 as compared to an operating loss of (21.3)% in the prior period. The increase is primarily related to the \$4.5 million charge for the impairment of two trade name intangibles recorded during the third quarter of 2016. Included in the operating income was amortization expense of \$0.5 million and \$0.8 million for the quarters ended September 30, 2017 and 2016, respectively.

Interest Income (Expense)

For the three months ended September 30, 2017 interest income increased to \$0.9 million from \$0.4 million in the same period in 2016. Interest expense increased to \$3.5 million during 2017 from \$2.0 million during 2016 due to larger outstanding balances on the line of credit primarily due to acquisitions, and higher interest rates.

Other Income (Expense)

Included in the three months ended September 30, 2017 was a \$3.2 million gain related to dissolution of a foreign entity and a release of its cumulative translation adjustment.

Included in the three months ended September 30, 2016 was a \$4.3 million benefit related to a fair value adjustment of contingent consideration for one of our acquisitions (see Part I. Item 1. Financial Statements, Note 7 to the Consolidated Financial Statements).

Income Taxes

The effective tax rate for the three months ended September 30, 2017 was 11.7%. This compares to an effective tax rate of (6.9)% for the comparable period of 2016. The effective tax rate for the three months ended September 30, 2017 was influenced by earnings in international jurisdictions currently under an income tax holiday and the distribution of income between the U.S. and international tax jurisdictions. Without a \$1.0 million benefit related to excess taxes on equity compensation, \$0.2 million of expense related to return to provision adjustments, \$2.4 million of benefit from restructuring expenses, and \$0.1 million of other, the Company's effective tax rate for the third quarter of 2017 would have been 22.1%.

Results of Operations

Nine months ended September 30, 2017 compared to nine months ended September 30, 2016

The tables included in the following sections are presented to facilitate an understanding of Management's Discussion and Analysis of Financial Condition and Results of Operations and present certain information by segment for the nine months ended September 30, 2017 and 2016 (in thousands). All intercompany transactions between the reported segments for the periods presented have been eliminated.

Customer Management Services

	Nine Months Ended September 30,		\$ Change	% Change
	2017	2016		
Revenue	\$ 798,508	\$ 664,392	\$ 134,116	20.2 %
Operating Income	43,804	36,189	7,615	21.0 %
Operating Margin	5.5 %	5.4 %		

The increase in revenue for the Customer Management Services segment was attributable to a \$145.9 million net increase in organic and inorganic client programs including Atelka and Connexions offset by program completions of \$12.1 million. Revenue was further impacted by a \$0.3 million increase due to foreign currency fluctuations.

The operating income as a percentage of revenue increased to 5.5% for the nine months ended September 30, 2017 as compared to 5.4% in the prior period. The operating margin increased due to higher revenue, a \$10.6 million benefit due to improved foreign exchange trends, increased capacity utilization, and efficiencies realized from the expense rationalization activities completed during the second half of 2016. These increases were partially offset by \$9.0 million of restructuring and integration charges for the Connexions acquisition related to severance, center closure costs, the hiring, training and licensing of employees in new delivery centers and the integration of the IT systems, as well as investments to buildout, hire and train for the increased fourth quarter 2017 seasonal volumes. Included in the operating income was amortization expense related to acquired intangibles of \$3.0 million and \$0.6 million for the nine months ended September 30, 2017 and 2016, respectively.

Customer Growth Services

	Nine Months Ended September 30,		\$ Change	% Change
	2017	2016		
Revenue	\$ 96,890	\$ 105,713	\$ (8,823)	(8.3)%
Operating Income	6,295	4,138	2,157	52.1 %
Operating Margin	6.5 %	3.9 %		

The decrease in revenue for the Customer Growth Services segment was due to a \$10.2 million increase in client programs and a decrease for program completions of \$19.0 million.

The operating income as a percentage of revenue increased to 6.5% for the nine months ended September 30, 2017 as compared to 3.9% in the prior period. This was attributable to pricing improvements and other profit optimization actions, along with reductions in amortization expenses and a reduction in the operating loss for the Digital Marketing unit which we are holding for sale. Included in the operating income was amortization expense related to acquired intangibles of zero and \$1.8 million for the nine months ended September 30, 2017 and 2016, respectively.

Customer Technology Services

	Nine Months Ended September 30,		\$ Change	% Change
	2017	2016		
Revenue	\$ 105,054	\$ 109,198	\$ (4,144)	(3.8)%
Operating Income	11,034	9,932	1,102	11.1 %
Operating Margin	10.5 %	9.1 %		

The decrease in revenue for the Customer Technology Services segment was driven by an increase for the CISCO offerings offset by a decrease in the Avaya offerings as we wound down and then sold the business unit in the second quarter of 2017.

The operating income as a percentage of revenue increased to 10.5% for the nine months ended September 30, 2017 as compared to 9.1% in the prior period. The increase is due to increased profitability in the CISCO offerings and a reduction in amortization. Included in the operating income was amortization expense related to acquired intangibles of \$0.8 million and \$3.4 million for the nine months ended September 30, 2017 and 2016, respectively.

Customer Strategy Services

	Nine Months Ended September 30,		\$ Change	% Change
	2017	2016		
Revenue	\$ 50,290	\$ 51,008	\$ (718)	(1.4)%
Operating Income (Loss)	2,746	(3,752)	6,498	173.2 %
Operating Margin	5.5 %	(7.4)%		

The decrease in revenue for the Customer Strategy Services segment was related to growth in the Content and Collaboration and Service Optimization practices offset by decreases in the Mindset and Sales Transformation and Customer Insights practices across multiple delivery regions.

The operating income as a percentage of revenue was 5.5% for the nine months ended September 30, 2017 as compared to a loss of (7.4)% in the prior period. The operating income increased primarily due to the \$4.5 million charge for the impairment of two trade name intangibles recorded during the third quarter of 2016, as well as expense rationalization, decreased amortization and reduced losses for the PRG Middle East unit which we are holding for sale. Included in the operating income was amortization expense of \$1.5 million and \$2.3 million for the nine months ended September 30, 2017 and 2016, respectively.

Interest Income (Expense)

For the nine months ended September 30, 2017 interest income increased to \$2.0 million from \$0.8 million in the same period in 2016. Interest expense increased to \$8.7 million during 2017 from \$5.8 million during 2016 due to larger outstanding balances on the line of credit primarily due to the acquisitions, and higher average interest rates.

Other Income (Expense), Net

Included in the nine months ended September 30, 2017 was a \$3.2 million gain related to dissolution of a foreign entity and a release of its cumulative translation adjustment.

Included in the nine months ended September 30, 2017 was \$3.2 million of estimated losses related to a business unit which has been classified as assets held for sale (see Part I. Item 1. Financial Statements, Note 2 to the Consolidated Financial Statements).

Included in the nine months ended September 30, 2016 was a \$4.3 million benefit related to a fair value adjustment of contingent consideration for one of our acquisitions (see Part I, Item 1. Financial Statements, Note 7 to the Consolidated Financial Statements for further details).

Income Taxes

The effective tax rate for the nine months ended September 30, 2017 was 15.0%. This compares to an effective tax rate of 15.2% for the comparable period of 2016. The effective tax rate for the nine months ended September 30, 2017 was influenced by earnings in international jurisdictions currently under an income tax holiday and the distribution of income between the U.S. and international tax jurisdictions. Without a \$2.0 million benefit related to excess taxes on equity compensation, \$0.2 million benefit related to return to provision, \$3.9 million benefit related to restructuring expenses and \$1.3 million benefit related to businesses held for sale, the Company's effective tax rate for the nine months ended September 30, 2017 would have been 22.3%.

Liquidity and Capital Resources

Our principal sources of liquidity are our cash generated from operations, our cash and cash equivalents, and borrowings under our Credit Facility. During the nine months ended September 30, 2017, we generated positive operating cash flows of \$149.6 million. We believe that our cash generated from operations, existing cash and cash equivalents, and available credit will be sufficient to meet expected operating and capital expenditure requirements for the next 12 months.

We manage a centralized global treasury function in the United States with a focus on concentrating and safeguarding our global cash and cash equivalents. While the majority of our cash is held outside the U.S., we prefer to hold U.S. Dollars in addition to the local currencies of our foreign subsidiaries. We expect to use our offshore cash to support working capital and growth of our foreign operations. While there are no assurances, we believe our global cash is protected given our cash management practices, banking partners and utilization of diversified, high quality investments.

We have global operations that expose us to foreign currency exchange rate fluctuations that may positively or negatively impact our liquidity. We are also exposed to higher interest rates associated with our variable rate debt. To mitigate these risks, we enter into foreign exchange forward and option contracts and interest rate swaps through our cash flow hedging program. Please refer to Item 3. Quantitative and Qualitative Disclosures About Market Risk, Foreign Currency Risk, for further discussion.

The following discussion highlights our cash flow activities during the nine months ended September 30, 2017 and 2016.

Cash and Cash Equivalents

We consider all liquid investments purchased within 90 days of their original maturity to be cash equivalents. Our cash and cash equivalents totaled \$78.8 million and \$55.3 million as of September 30, 2017 and December 31, 2016, respectively. We diversify the holdings of such cash and cash equivalents considering the financial condition and stability of the counterparty institutions.

We reinvest our cash flows to grow our client base, expand our infrastructure, for investment in research and development, for strategic acquisitions, for the purchase of our outstanding stock and to pay dividends.

Cash Flows from Operating Activities

For the nine months ended September 30, 2017 and 2016, net cash flows provided by operating activities was \$149.6 million and \$110.8 million, respectively. The increase was primarily due to a \$41.9 million decrease in payments made for operating expenses, an \$18.8 million increase in collections for deferred revenue, offset by a \$10.3 million decrease in cash collected from accounts receivable.

Cash Flows from Investing Activities

For the nine months ended September 30, 2017 and 2016, we reported net cash flows used in investing activities of \$126.3 million and \$39.2 million, respectively. The increase was due to a \$5.1 million increase in capital expenditures and an additional \$81.7 million related to funding for an acquisition.

Cash Flows from Financing Activities

For the nine months ended September 30, 2017 and 2016, we reported net cash flows used in financing activities of \$1.4 million and \$61.0 million, respectively. The change in net cash flows from 2016 to 2017 was primarily due to a \$8.7 million increase in the Credit Facility, a \$39.0 million decrease in purchases of our outstanding common stock, a \$12.9 million decrease in contingent consideration and purchase of non-controlling interest payments and a decrease of \$1.9 million related to the 2016 payment of debt issuance costs.

Free Cash Flow

Free cash flow (see "Presentation of Non-GAAP Measurements" below for the definition of free cash flow) increased for the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016 primarily due to an increase in cash flow from working capital. Free cash flow was \$105.7 million and \$72.0 million for the nine months ended September 30, 2017 and 2016, respectively.

Presentation of Non-GAAP Measurements

Free Cash Flow

Free cash flow is a non-GAAP liquidity measurement. We believe that free cash flow is useful to our investors because it measures, during a given period, the amount of cash generated that is available for debt obligations and investments other than purchases of property, plant and equipment. Free cash flow is not a measure determined by GAAP and should not be considered a substitute for "income from operations," "net income," "net cash provided by operating activities," or any other measure determined in accordance with GAAP. We believe this non-GAAP liquidity measure is useful, in addition to the most directly comparable GAAP measure of "net cash provided by operating activities," because free cash flow includes investments in operational assets. Free cash flow does not represent residual cash available for discretionary expenditures, since it includes cash required for debt service. Free cash flow also includes cash that may be necessary for acquisitions, investments and other needs that may arise.

The following table reconciles net cash provided by operating activities to free cash flow for our consolidated results (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Net cash provided by operating activities	\$ 24,188	\$ 55,793	\$ 149,643	\$ 110,838
Less: Purchases of property, plant and equipment	14,343	11,120	43,932	38,863
Free cash flow	\$ 9,845	\$ 44,673	\$ 105,711	\$ 71,975

Obligations and Future Capital Requirements

Future maturities of our outstanding debt and contractual obligations as of September 30, 2017 are summarized as follows (in thousands):

	Less than 1 Year	1 to 3 Years	3 to 5 Years	Over 5 Years	Total
	Credit Facility ⁽¹⁾	\$ 6,702	13,405	257,793	—
Equipment financing arrangements	3,216	4,675	1,378	—	9,269
Contingent consideration	1,178	—	—	—	1,178
Purchase obligations	10,761	8,589	1,007	—	20,357
Operating lease commitments	44,438	59,522	36,894	25,661	166,515
Other debt	2,763	3,388	387	—	6,538
Total	\$ 69,058	\$ 89,579	\$ 297,459	\$ 25,661	\$ 481,757

(1) Includes estimated interest payments based on the weighted-average interest rate, unused commitment fees, current interest rate swap arrangements, and outstanding debt as of September 30, 2017.

- Contractual obligations to be paid in a foreign currency are translated at the period end exchange rate.
- Purchase obligations primarily consist of outstanding purchase orders for goods or services not yet received, which are not recognized as liabilities in our Consolidated Balance Sheets until such goods and/or services are received.
- The contractual obligation table excludes our liabilities of \$4.0 million related to uncertain tax positions because we cannot reliably estimate the timing of cash payments.

Our outstanding debt is primarily associated with the use of funds under our Credit Agreement to fund working capital, repurchase our common stock, pay dividends, and for other cash flow needs across our global operations.

Future Capital Requirements

We expect total capital expenditures in 2017 to be approximately 4.4% of revenue. Approximately 70% of these expected capital expenditures are to support growth in our business and 30% relate to the maintenance for existing assets. The anticipated level of 2017 capital expenditures is primarily driven by new client contracts and the corresponding requirements for additional delivery center capacity as well as enhancements to our technological infrastructure.

The amount of capital required over the next 12 months will depend on our levels of investment in infrastructure necessary to maintain, upgrade or replace existing assets. Our working capital and capital expenditure requirements could also increase materially in the event of acquisitions or joint ventures, among other factors. These factors could require that we raise additional capital through future debt or equity financing. We can provide no assurance that we will be able to raise additional capital upon commercially reasonable terms acceptable to us.

Client Concentration

During the nine months ended September 30, 2017, one of our clients represented 9.5% of our total revenue. Our five largest clients, collectively, accounted for 35.2% and 36.4% of our consolidated revenue for the three months ended September 30, 2017 and 2016, respectively. Our five largest clients, collectively, accounted for 34.3% and 35.8% of our consolidated revenue for the nine months ended September 30, 2017 and 2016, respectively. We have experienced long-term relationships with our top five clients, ranging from 10 to 21 years, with the majority of these clients having completed multiple contract renewals with us. The relative contribution of any single client to consolidated earnings is not always proportional to the relative revenue contribution on a consolidated basis and varies greatly based upon specific contract terms. In addition, clients may adjust business volumes served by us based on their business requirements. We believe the risk of this concentration is mitigated, in part, by the long-term contracts we have with our largest clients. Although certain client contracts may be terminated for convenience by either party, we believe this risk is mitigated, in part, by the service level disruptions and transition/migration costs that would arise for our clients.

The contracts with our five largest clients expire between 2018 and 2020. Additionally, a particular client may have multiple contracts with different expiration dates. We have historically renewed most of our contracts with our largest clients. However, there is no assurance that future contracts will be renewed, or if renewed, will be on terms as favorable as the existing contracts.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk represents the risk of loss that may impact our consolidated financial position, consolidated results of operations, or consolidated cash flows due to adverse changes in financial and commodity market prices and rates. Market risk also includes credit and non-performance risk by counterparties to our various financial instruments. We are exposed to market risk due to changes in interest rates and foreign currency exchange rates (as measured against the U.S. dollar); as well as credit risk associated with potential non-performance of our counterparty banks. These exposures are directly related to our normal operating and funding activities. We enter into derivative instruments to manage and reduce the impact of currency exchange rate changes, primarily between the U.S. dollar/Philippine peso, the U.S. dollar/Mexican peso, and the Australian dollar/Philippine peso. We enter into interest rate derivative instruments to reduce our exposure to interest rate

fluctuations associated with our variable rate debt. To mitigate against credit and non-performance risk, it is our policy to only enter into derivative contracts and other financial instruments with investment grade counterparty financial institutions and, correspondingly, our derivative valuations reflect the creditworthiness of our counterparties. As of the date of this report, we have not experienced, nor do we anticipate, any issues related to derivative counterparty defaults.

Interest Rate Risk

We previously entered into interest rate derivative instruments to reduce our exposure to interest rate fluctuations associated with our variable rate debt. The interest rate on our Credit Agreement is variable based upon the Prime Rate, the Federal Funds rate, or LIBOR and, therefore, is affected by changes in market interest rates. As of September 30, 2017, we had \$255.0 million of outstanding borrowings under the Credit Agreement. Based upon average outstanding borrowings during the three and nine months ended September 30, 2017, interest accrued at a rate of approximately 2.3% and 2.1% per annum, respectively. If the Prime Rate or LIBOR increased by 100 basis points during the quarter, there would be a \$1.0 million of additional interest expense per \$100.0 million of outstanding borrowing under the Credit Agreement.

The Company's interest rate swap arrangement has expired as of May 31, 2017 and no additional swaps have been entered into. As of December 31, 2016 the outstanding interest rate swap was as follows:

December 31, 2016	Notional Amount	Variable Rate Received	Fixed Rate Paid	Contract Commencement Date	Contract Maturity Date
Swap	\$ 15 million	1 - month LIBOR	3.14 %	May 2012	May 2017

Foreign Currency Risk

Our subsidiaries in Bulgaria, Costa Rica, Mexico, Poland, and the Philippines use the local currency as their functional currency for paying labor and other operating costs. Conversely, revenue for these foreign subsidiaries is derived principally from client contracts that are invoiced and collected in U.S. dollars or other foreign currencies. As a result, we may experience foreign currency gains or losses, which may positively or negatively affect our results of operations attributed to these subsidiaries. For the nine months ended September 30, 2017 and 2016, revenue associated with this foreign exchange risk was 27% and 33% of our consolidated revenue, respectively.

In order to mitigate the risk of these non-functional foreign currencies weakening against the functional currencies of the servicing subsidiaries, which thereby decreases the economic benefit of performing work in these countries, we may hedge a portion, though not 100%, of the projected foreign currency exposure related to client programs served from these foreign countries through our cash flow hedging program. While our hedging strategy can protect us from adverse changes in foreign currency rates in the short term, an overall weakening of the non-functional foreign currencies would adversely impact margins in the segments of the servicing subsidiary over the long term.

Cash Flow Hedging Program

To reduce our exposure to foreign currency exchange rate fluctuations associated with forecasted revenue in non-functional currencies, we purchase forward and/or option contracts to acquire the functional currency of the foreign subsidiary at a fixed exchange rate at specific dates in the future. We have designated and account for these derivative instruments as cash flow hedges for forecasted revenue in non-functional currencies.

While we have implemented certain strategies to mitigate risks related to the impact of fluctuations in currency exchange rates, we cannot ensure that we will not recognize gains or losses from international transactions, as this is part of transacting business in an international environment. Not every exposure is or can be hedged and, where hedges are put in place based on expected foreign exchange exposure, they are based on forecasts for which actual results may differ from the original estimate. Failure to successfully hedge or anticipate currency risks properly could adversely affect our consolidated operating results.

Our cash flow hedging instruments as of September 30, 2017 and December 31, 2016 are summarized as follows (in thousands). All hedging instruments are forward contracts, except as noted.

	Local Currency Notional Amount	U.S. Dollar Notional Amount	% Maturing in the next 12 months	Contracts Maturing Through
As of September 30, 2017				
Philippine Peso	10,490,000	218,413 ⁽¹⁾	53.2 %	August 2021
Mexican Peso	1,774,000	104,652	37.2 %	May 2021
		<u>\$ 323,065</u>		
As of December 31, 2016				
Philippine Peso	14,315,000	301,134 ⁽¹⁾		
Mexican Peso	2,089,000	129,375		
		<u>\$ 430,509</u>		

(1) Includes contracts to purchase Philippine pesos in exchange for New Zealand dollars and Australian dollars, which are translated into equivalent U.S. dollars on September 30, 2017 and December 31, 2016.

The fair value of our cash flow hedges at September 30, 2017 was assets/(liabilities) (in thousands):

	September 30, 2017	Maturing in the Next 12 Months
Philippine Peso	(15,688)	(9,399)
Mexican Peso	(13,785)	(7,617)
	<u>\$ (29,473)</u>	<u>\$ (17,016)</u>

Our cash flow hedges are valued using models based on market observable inputs, including both forward and spot foreign exchange rates, implied volatility, and counterparty credit risk. The increase in fair value from December 31, 2016 largely reflects a broad weakening in the U.S. dollar.

We recorded net losses of approximately \$17.7 million and \$18.9 million for settled cash flow hedge contracts and the related premiums for the nine months ended September 30, 2017 and 2016, respectively. These losses were reflected in Revenue in the accompanying Consolidated Statements of Comprehensive Income (Loss). If the exchange rates between our various currency pairs were to increase or decrease by 10% from current period-end levels, we would incur a material gain or loss on the contracts. However, any gain or loss would be mitigated by corresponding increases or decreases in our underlying exposures.

Other than the transactions hedged as discussed above and in Part I, Item 1. Financial Statements, Note 6 to the Consolidated Financial Statements, the majority of the transactions of our U.S. and foreign operations are denominated in their respective local currency. However, transactions are denominated in other currencies from time-to-time. We do not currently engage in hedging activities related to these types of foreign currency risks because we believe them to be insignificant as we endeavor to settle these accounts on a timely basis. For the nine months ended September 30, 2017 and 2016, approximately 25% and 22%, respectively, of revenue was derived from contracts denominated in currencies other than the U.S. Dollar. Our results from operations and revenue could be adversely affected if the U.S. Dollar strengthens significantly against foreign currencies.

Fair Value of Debt and Equity Securities

We did not have any investments in marketable debt or equity securities as of September 30, 2017 or December 31, 2016.

ITEM 4. CONTROLS AND PROCEDURES

This report includes the certifications of our Chief Executive Officer (the "CEO") and Chief Financial Officer (the "CFO") required by Rule 13a-14 of the Securities Exchange Act of 1934 (the "Exchange Act"). See Exhibits 31.1 and 31.2. This Item 4 includes information concerning the controls and control evaluations referred to in those certifications.

Disclosure Controls and Procedures

Disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as amended) are designed to provide reasonable assurance that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms and that such information is accumulated and communicated to management, including our CEO and CFO, to allow timely decisions regarding required disclosures.

Management of the Company, with the participation of its CEO and CFO, evaluated the effectiveness of the Company's disclosure controls and procedures as of September 30, 2017. Based on that evaluation, as of the end of the period covered by this Form 10-Q, the Company's CEO and CFO have concluded that the Company's disclosure controls and procedures were not effective to provide reasonable assurance because of the material weaknesses in our internal control over financial reporting.

At the year ended December 31, 2016, material weaknesses existed in the Company's internal control over financial reporting. Certain material weaknesses that existed at the year ended December 31, 2016 continued to exist as of September 30, 2017. These material weaknesses are fully described in our Annual Report on Form 10-K for the year ended December 31, 2016.

While these material weaknesses did not result in errors that were material to our annual or interim financial statements, they could result in misstatements of our consolidated financial statements and disclosures which would result in material misstatement of our consolidated financial statements and disclosures which would not be prevented or detected.

Notwithstanding such material weaknesses in internal control over financial reporting, our CEO and CFO have concluded that our consolidated financial statements included in this Form 10-Q present fairly, in all material respects, our financial position, results of operations and cash flows for the periods presented in conformity with accounting principles generally accepted in the United States.

Inherent Limitations of Internal Controls

Our management, including the CEO and CFO, believes that any disclosure controls and procedures or internal controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of internal control are met. Further, the design of internal controls must consider the benefits of controls relative to their costs. Inherent limitations within internal controls include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of controls. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with associated policies or procedures. While the objective of the design of any system of controls is to provide reasonable assurance of the effectiveness of controls, such design is also based in part upon certain assumptions about the likelihood of future events, and such assumptions, while reasonable, may not take into account all potential future conditions. Thus, even effective internal control over financial reporting can only provide reasonable assurance of achieving their objectives. Therefore, because of the inherent limitations in cost effective internal controls, misstatements due to error or fraud may occur and may not be prevented or detected.

Remediation of Prior Material Weakness

The following captures the progress made by management related to the revenue material weakness that has been remediated.

Revenue: Management previously identified a material weakness in the design and operating effectiveness of controls over the revenue process. During 2016, management took the necessary steps to redesign the control framework, including the implementation of (i) a revenue quality assurance organization, (ii) standardized contract and invoice review and approval templates, and (iii) a document storage system for improved organization and evidence of review. Additionally, management established a quarterly control owner certification process and invested in employee training. Management completed the design and implementation of this control framework in the quarter ended December 31, 2016. Based on the results of our testing, management has concluded that the controls are adequately designed and have operated effectively for a sufficient period of time during 2017. Accordingly, the revenue material weakness is remediated.

Remediation Efforts and Status of Remaining Material Weaknesses

Impairments: During 2016, management has taken the necessary steps to redesign the control framework, including implementation of specific preparation and review procedures to (i) ensure the accuracy of the valuation models used to calculate fair market values, (ii) validate the source of the financial forecasts, and (iii) evidence the assessment of the models for reasonableness. In addition, TeleTech has engaged a third-party valuation expert to assist management with the underlying valuation models supporting the goodwill and intangible impairment assessments. Management has completed the design and implementation of the control framework and has tested the impairment controls in the quarter ending December 31, 2016. Management will continue to test the controls for impairment in 2017 to ensure they have operated for a sufficient period of time before concluding on remediation.

Control Environment: During 2016 TeleTech invested significantly in the quality of our accounting talent including management, technical, process improvement and financial system roles. Additionally, we implemented a number of programs to: improve our talent acquisition and retention platforms; enhance technical, transactional and control knowledge of our accounting teams; create a culture of accountability and control. These programs have significantly improved the stability of our global accounting organization. In order to consider this material weakness to be fully remediated, we believe additional time is needed to demonstrate sustainability as it relates to our internal control over financial reporting and improvements made to our complement of resources.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during the quarter ended September 30, 2017 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Part I, Item 1. Financial Statements, Note 10 to the Consolidated Financial Statements of this Form 10-Q is hereby incorporated by reference.

ITEM 1A. RISK FACTORS

There were no material changes to the risk factors described in Item 1A. Risk Factors described in our Annual Report on Form 10-K for the year ended December 31, 2016.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**Issuer Purchases of Equity Securities**

Following is the detail of the issuer purchases made during the quarter ended September 30, 2017:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (In thousands)⁽¹⁾
June 30, 2017	—	\$ —	—	\$ 26,580
July 1, 2017 - July 31, 2017	—	\$ —	—	\$ 26,580
August 1, 2017 - August 31, 2017	—	\$ —	—	\$ 26,580
September 1, 2017 - September 30, 2017	—	\$ —	—	\$ 26,580
Total	—	\$ —	—	\$ 26,580

- (1) In November 2001, our Board of Directors ("Board") authorized a stock repurchase program with the objective of increasing stockholder returns. The Board periodically authorizes additional increases to the program. The most recent Board authorization to purchase additional common stock occurred in February 2017, whereby the Board increased the program allowance by \$25.0 million. Since inception of the program through September 30, 2017, the Board has authorized the repurchase of shares up to a total value of \$762.3 million, of which we have purchased 46.1 million shares on the open market for \$735.8 million. As of September 30, 2017 the remaining amount authorized for repurchases under the program was approximately \$26.6 million. The stock repurchase program does not have an expiration date.

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS

<u>Exhibit No.</u>	<u>Exhibit Description</u>
10.85*	Employment Agreement between Anthony Y. Tsai and TeleTech Services Corporation effective as of September 5, 2017.
10.92	Third Amendment to Amended and Restated Credit Agreement and Incremental Increase Agreement for a senior secured revolving credit facility with a syndicate of lenders, led by Wells Fargo Bank, National Association, as agent, swing line and fronting lender, effective as of October 31, 2017 (incorporated by reference as Exhibit 10.92 to TeleTech's Current Report on Form 8-K filed on November 1, 2017).
10.97*	Stock Purchase Agreement of November 8, 2017 by and among TeleTech Services Corporation, Motif, Inc. ("Motif"), Kaushal Mehta and Parul Mehta (referred to collectively as the "Founders"), the shareholders of Motif (other than Founders, referred to as "Sellers"), and Outforce LLC (the Sellers' Agent).
10.98*	Share Purchase Agreement of November 8, 2017 by and among TeleTech Services Corporation, the Founders, The Anishi Mehta Irrevocable Trust, The Ishan Mehta Irrevocable Trust, Anishi Mehta, and Ishan Mehta.
31.1*	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)
31.2*	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)
32.1*	Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)
32.2*	Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)
101.INS**	XBRL Instance Document
101.SCH**	XBRL Taxonomy Extension Schema Document
101.CAL**	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB**	XBRL Taxonomy Extension Label Linkbase Document
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF**	XBRL Taxonomy Extension Definition Linkbase Document

* Filed or furnished herewith.

** Attached as Exhibit 101 to this report are the following documents formatted in XBRL (Extensible Business Reporting Language): (i) Notes to the Consolidated Financial Statements, (ii) Consolidated Balance Sheets as of September 30, 2017 and December 31, 2016 (unaudited), (iii) Consolidated Statements of Comprehensive Income (Loss) for the three and nine months ended September 30, 2017 and 2016 (unaudited), (iv) Consolidated Statements of Stockholders' Equity as of and for the nine months ended September 30, 2017 (unaudited), and (v) Consolidated Statements of Cash Flows for the nine months ended September 30, 2017 and 2016 (unaudited).

SIGNATURES

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

TELETECH HOLDINGS, INC.
(Registrant)

Date: November 8, 2017

By: /s/ Kenneth D. Tuchman
Kenneth D. Tuchman
Chairman and Chief Executive Officer

Date: November 8, 2017

By: /s/ Regina M. Paolillo
Regina M. Paolillo
Chief Financial Officer

EXECUTIVE EMPLOYMENT AGREEMENT

This Executive Employment Agreement ("Agreement") is by and between TeleTech Services Corporation, a Delaware corporation (the "Company"), a wholly owned subsidiary of TeleTech Holdings, Inc., a Delaware corporation ("TeleTech"), and Anthony Tsai ("Executive") (each a "Party" and together the "Parties"), and is executed to be effective as of the Start Date of employment ("Effective Date").

1. Appointment.

a. The Company hereby employs Mr. Tsai as Executive Vice President, Chief Information and Innovation Officer to lead its global technology groups, including its Customer Technology Services segment, its Information Technology organization, its Information Security function; its *bConnected* and *Humanify* technologies, and to enable TeleTech to deliver its business objectives, as established from time to time by the TeleTech board of directors (the "Board") and TeleTech management executive committee (the "Executive Committee"). In this role, Mr. Tsai will report to TeleTech's Chief Executive Officer and will become a member of the TeleTech executive leadership team and its Executive Committee. The Executive hereby accepts such appointment with the Company effective September 5, 2017 ("Start Date").

b. Executive shall devote his full-time and best efforts to the performance of all duties contemplated by this Agreement and, as assigned to Executive from time to time by the CEO or his or her delegate in the event of the CEO's absence. Unless otherwise specifically authorized in writing by TeleTech, Executive shall not engage in any other business activity, or otherwise be employed by any other company. This shall not preclude Executive from serving on boards of directors with TeleTech's prior written approval.

c. Executive acknowledges that, as part of his employment duties, Executive may be required to perform services for, and serve as an officer and/or director of, TeleTech subsidiaries, affiliates and related entities, on behalf of and as requested by TeleTech; and Executive agrees to perform such duties diligently and without further compensation. Although employed by the Company, a TeleTech subsidiary, Executive as a member of the TeleTech executive leadership team shall render services to TeleTech as necessary and desirable to protect and advance the best interests of TeleTech, acting, in all instances, in accordance with TeleTech ***Ethics Code: How TeleTech Does Business*** (or a successor code of conduct document).

2. Compensation.

a. **Salary and Period Salary Review.** As of the Start Date, Executive's base salary shall be \$350,000 per year ("Base Salary"), payable in equal installments in accordance with the Company's standard payroll practice, less legally required deductions and withholdings. Executive's Base Salary may be periodically reviewed and adjusted in accordance with TeleTech standard procedures.

b. **Relocation.** You understand and agree that the role of TeleTech's Chief Information and Innovation Officer is based at the Company's HQ in Colorado. By accepting this employment Executive agrees to relocate from his current state of residence to greater metropolitan area of Denver in the state of Colorado as soon as reasonable and no later than June 30, 2018. TeleTech will reimburse the Executive for reasonable relocation expenses not to exceed \$100,000, including gross up for tax purposes, if any. All relocation expenses to be incurred and submitted in accordance with the Company's relocation policies and procedures. Exhibit B to this Agreement outlines the terms and obligations with respect to this relocation assistance, which must be repaid on a pro-rated basis in the event Executive resigns within two years of the Start Date.

c. **Variable Incentive Plan (annual cash) Bonus.** Beginning in 2017, and annually thereafter, Executive will be eligible to participate in an annual performance based cash incentive program, currently referred to as TeleTech's Variable Incentive Plan ("VIP"). Executive's annual VIP opportunity shall be up to 50% of his Base Salary (i.e. up to \$175,000, based on current level of Base Salary), tied to

the annual targets and goals of the business as set by the Board and the CEO. Executive's annual VIP awards are discretionary and not guaranteed. They are based on TeleTech's and Executive's performance against targets, as set by the Board and the CEO and will be based on a combination of: (1) TeleTech-wide business results; (2) Customer Technology Services business segment specific results; (3) legacy Humanify specific results; (4) *bConnected* specific results; (5) internal IT specific results; and (6) Executive's individual performance against agreed goals related to the execution of TeleTech's long-term and short-term plans to meet its strategic and financial goals. Executive's 2017 VIP will be paid in the first quarter of 2018, after TeleTech's annual results of operations have been determined; and shall be prorated based on the actual time Executive worked for TeleTech in 2017. Timing and schedule for post 2017 VIP awards is expected to be similar to 2017 VIP and is determined by the Board annually.

d. **Reimbursement of Business Expenses.** The Company agrees to reimburse Executive for all reasonable out-of-pocket business expenses incurred by Executive on behalf of the Company, including Company required periodic travel between Executive's state of residence and TeleTech's HQ in Colorado prior to the Executive's relocation as provided in Section 2(b) of this Agreement, provided that Executive properly accounts to the Company for all such expenses in accordance with the rules and regulations of the Internal Revenue Service under the Internal Revenue Code of 1986, as amended (the "Code") and in accordance with the standard policies of the Company relating to reimbursement of business expenses incurred by its employees.

e. **Withholdings.** All payments made under this Section 2, or under any other provision of this Agreement, will be subject to withholding of the federal, state, and local taxes, Social Security, Medicare and other withholdings in such amounts as is reasonably determined by Company.

3. **Restricted Stock Units (RSUs).**

a. **Time-Based New Hire RSU Grant.** TeleTech shall grant to Executive restricted stock units ("RSUs") with a market value of \$500,000, based on TeleTech stock fair market value at the time of the grant, subject to the approval of the Compensation Committee of the Board ("New Hire RSUs"). The New Hire RSUs shall vest in accordance with the terms and conditions set forth in the Restricted Stock Unit Agreement, attached hereto as Exhibit A and incorporated herein by reference. The New Hire RSUs shall vest in installments, with 40% of the grant vesting on the 2nd anniversary of the Start Date, and 20% each vesting on the 3rd, 4th, and 5th anniversaries of the Start Date, provided that Executive continues to be employed by the business on each of the vesting dates.

b. **Annual Equity Grants.** TeleTech employees at Executive's level participate in TeleTech annual Equity Grant program, designed to provide long term incentives for senior executives in the form of RSUs. Executive will become eligible for the annual Equity Grant program beginning in 2018, with an Annual Equity Grant opportunity of up to 50% of Executive's Base Salary (i.e., up to \$175,000 fair market value at time of grant eligibility). Annual Equity Grants are discretionary and not guaranteed and they are based on TeleTech's and Executive's performance against targets, as set by the Board. If granted, these RSUs currently vest in equal increments over a four-year period commencing on the anniversary date of the grant. The Company reserves the right to change the terms of the equity grants in its discretion, provided, however, that Executive will be entitled to the equity terms that are available to other executives at his level in the organization.

4. **Bonus and Equity Award Enhancements for Senior Executives.**

Notwithstanding the provisions of Sections 2(c) and 3(b) the Compensation Committee of the Board may, on the recommendation of the CEO, approve an annual VIP award and/or Annual Equity Grant enhancement for the Executive up to 2 times the level provided in Sections 2(c) and 3(b) of this Agreement (i.e. the Executive's potential annual VIP awards and Equity Grants may be up to 100% of his Base Salary). Such bonus and equity enhancements are entirely discretionary and based on exceeding the Company's financial targets and Executive's contribution to TeleTech's overall performance.

5. **Benefits.**

a. **Health Insurance and other benefits.** Executive and his dependents shall be eligible for coverage and may choose to enroll under TeleTech's group medical, vision, and dental insurance and other insurance plans made available to the Company's employees, beginning on the first of the calendar month after 30 days tenure with the Company (for clarification, the Executives eligibility for participation in these benefits will start on November 1, 2017, assuming the start date of September 5, 2017).

b. **Miscellaneous benefits.** Executive shall receive benefits generally applicable to the Company's management employees that are from time to time in effect, such as the Company's 401(k) and Deferred Compensation Plans.

c. **Paid Leave.** Executive shall be eligible for a Paid Time Off (PTO) benefit pursuant to TeleTech's current PTO Policy (or any other vacation/sick policy then in effect). Executive will also be paid for time off for certain holidays as set forth in Company's current Company Holiday Policy.

6. **Relationship Between this Agreement and Other Company Agreements.**

In the event of any direct conflict between any term of this Agreement and any TeleTech contract, policy, procedure, guideline or other publication addressing the same terms and conditions contained in this Agreement, the terms of this Agreement shall control in regard to Executive's employment.

7. **Termination.**

a. **Termination by Either Party.** Except as set forth in Section 7(c), (e) and (f), either Party may terminate the employment relationship with 30 days' written notice to the other. Both parties may mutually agree to a shorter period.

b. **Termination by the Company without Cause.** Upon 30 days written notice, the Company, in its sole discretion, may terminate Mr. Tsai's employment without Cause (as "Cause" is defined in Section 7(g) below). If Mr. Tsai executes a separation agreement in a form substantially similar to the agreement set forth in Exhibit C (attached hereto), releasing all legal claims except for those that cannot legally be released and Mr. Tsai continues to comply with all terms of such separation agreement, and any other agreements signed by the Executive with the Company, then the Company shall pay Mr. Tsai severance compensation equal to twelve (12) full calendar months of Mr. Tsai's then current Base Salary. Salary continuation payments will be made at the Company's regular payroll intervals, provided, however, payments accruing for payroll periods prior to the date that the Company has received a signed and effective separation agreement and release shall be suspended and paid on the first payroll date following the effective date of the separation and release.

If the Company terminates this Agreement without Cause under this Section 7(b), and the Company pays Mr. Tsai the compensation earned as of the effective date of the termination, and provides Mr. Tsai severance compensation in the amount and on the terms specified in this Section 7(b), the Company's acts in doing so shall be in complete accord and satisfaction of any claim that Mr. Tsai has or may at any time have for compensation or payments of any kind from the Company or TeleTech arising from or relating in whole or part to Mr. Tsai's employment with the Company and/or this Agreement. If the separation agreement and legal release referenced above are not signed within thirty (30) days from the date that such documents are presented to Mr. Tsai (which the Company shall present no later than fifteen (15) days after the effective date of Executive's termination), then Mr. Tsai waives his right to receive any severance compensation pursuant to this Agreement, even if Mr. Tsai were to successfully litigate any claim against the Company and/or TeleTech.

c. **Termination by the Company for Cause.** The Company may terminate this Agreement with no notice **for Cause**, as that term is defined in Section 7(g), with the Company's only obligation being the payment of any salary compensation earned as of the date of termination, and any continuing obligations under the Company benefit plans then in effect, and without liability for severance compensation of any kind, including the severance set forth in Section 7(b).

d. **Termination by Executive.** For the avoidance of doubt, the Executive is not entitled to severance compensation if he terminates his employment with Company for any reason. If the Executive terminates his employment as provided in Section 7(a), in addition to the notice of such termination, the Executive must follow TeleTech's direction and cooperate with the Company to assure timely and orderly transition of his responsibilities to others at TeleTech.

e. **Termination upon Executive's Death.** This Agreement shall terminate immediately upon Executive's death if such death occurs during the term of employment. Thereafter, the Company shall pay to the Executive's estate, as directed by the Executive's authorized representative, all compensation fully earned, and benefits fully vested as of the last date of Executive's continuous, full-time active employment with the Company. For purposes of this Agreement, continuous, full-time active employment shall be defined as the last date upon which Executive continuously performed his job responsibilities on a regular, full-time basis consisting of at least 35 hours per week, and in the usual course of the Company's business ("Continuous Full-Time Active Employment"). In case of Executive's death, the Company shall not be required to pay any form of severance or other compensation concerning or on account of the Executive's employment with the Company or the termination thereof.

f. **Termination Due to or Following Disability.** During the first ninety (90) calendar days after a mental or physical condition that renders Executive unable to perform the essential functions of his position with reasonable accommodation (the "Initial Disability Period"), Executive shall continue to receive his base salary as provided in Section 2(a) of this Agreement. Thereafter, if Executive qualifies for benefits under the Company's long term disability insurance plan (the "LTD Plan"), then Executive shall remain on leave for as long as Executive continues to qualify for such benefits, up to a maximum of 180 consecutive days (the "Long Term Leave Period"). The Long Term Leave Period shall begin on the first day following the end of the Initial Disability Period. During the Long Term Leave Period, Executive shall be entitled to any benefits to which the LTD Plan entitles Executive, but no additional compensation from the Company in the form of salary, performance bonus, equity grants, allowances or otherwise. If during or at the end of the Long Term Leave Period Executive remains unable to perform the essential functions of his position, then the Company may terminate this Agreement and Executive's employment. If the Company terminates Executive's employment under this Section 7(f), the Company's payment obligation to Executive shall be Executive Continuous, Full-Time Active Employment with the Company.

g. **Definition of "Cause".** For purposes of this Agreement, "Cause" shall have the following meaning:

- (i) Fraud, theft, embezzlement (or attempted fraud, theft, embezzlement), dishonest acts or illegal conduct;
- (ii) Other similar acts of willful misconduct on the part of Executive resulting in damage to TeleTech or the Company;
- (iii) A material breach by the Executive of this Agreement;
- (iv) Use of any controlled substance or alcohol while performing Executive's duties, except as part of a TeleTech or Company-sponsored event in connection with a business-related social engagement such as a trade conference or customer entertainment, but only in moderation and in a professional manner that reflects positively on TeleTech and the Company; with visible inebriation at a business-related social engagement constituting a cause for immediate termination;

(v) A breach of a fiduciary duty that results in an adverse impact to TeleTech or the Company or in personal profit to the Executive (as determined by the Company based on its conflict of interest policies outlined in the TeleTech **Ethics Code: How TeleTech Does Business** (or a successor code of conduct document));

(vi) Use of trade secrets or confidential information of TeleTech or the Company, other than in pursuit of TeleTech or the Company's business;

(vii) Aiding a competitor of TeleTech; or

(viii) Failure by Executive in the performance of his duties that results in material adverse effect on TeleTech, the Company or TeleTech subsidiary companies.

If the act or acts constituting Cause are susceptible of cure, Company will provide Executive with written notice setting forth the acts constituting Cause and providing that Executive may cure such acts within thirty (30) business days of receipt of such notice. Any recurrence of acts constituting Cause within one (1) year of the original occurrence will void Executive's right to such pre-termination right to cure.

h. **Continuing Obligations.** Mr. Tsai shall remain subject to the Company's Agreement to Protect Confidential Information, Assign Inventions and Prevent Unfair Competition and Unfair Solicitation ("Confidentiality Agreements"), Arbitration agreements, Equity Agreements, and any other similar agreements executed at any time during his employment, including without limitation this Agreement, all of which survive termination of employment.

8. Successors and Assigns.

The Company, its successors and assigns may in their sole discretion assign this Agreement to any person or entity in connection with the merger, acquisition or other business combination that results in the divestiture or transfer of all or substantially all the assets of the Company. This Agreement shall bind, and inure to the benefit of the Company's successors or assigns. This Agreement is for personal services and the Executive shall not assign his rights or obligations hereunder.

9. Governing Law and Dispute Resolution.

a. **Good Faith Negotiation Requirement.** Executive and the Company agree that in the event of any controversy or claim arising out of or relating to Executive's employment with and/or separation from the Company, they shall negotiate in good faith to resolve the controversy or claim privately, amicably and confidentially. Each party may consult with counsel in connection with such negotiations.

b. **Governing Law.** This Agreement will be construed and interpreted in accordance with the laws of the State of Colorado without regard to conflict of law principles.

c. **Disputes.** The parties agree that any action arising from or relating in any way to this Agreement, shall be resolved and tried in the state or federal courts situated in Denver, Colorado. The parties consent to jurisdiction and venue of those courts to the greatest extent allowed by law. In this regard, the Executive acknowledges and admits to all or a combination of several following substantial contacts with Colorado: (i) the Executive is employed, provides services for or otherwise is affiliated with an legal entity headquartered in the state of Colorado; (ii) the Executive receives the compensation in a form of Employee checks or wire transfers that are drawn either directly or indirectly, from bank accounts in Colorado; (iii) the Executive regularly interacts with, contacts and is contacted by other TeleTech employees and executives in Colorado; (iv) the Executive either routinely travels to or attends business meetings in Colorado; and (v) the Executive receives substantial compensation and benefits as a result of TeleTech being a corporation headquartered in and subject to the laws of Colorado. Based on these and other contacts, the Executive acknowledges that he could reasonably be subject to the laws of Colorado.

d. **Attorney's fees.** The party that substantially prevails in any action to enforce any provision of this Agreement shall recover all reasonable costs and attorneys' fees incurred in connection with the action.

10. Non-Disclosure, Non-Competition and Non-Solicitation.

Executive agrees to execute, simultaneously with the execution of this Agreement, the Company's Agreement to Protect Confidential Information, Assign Inventions and Prevent Unfair Competition and Unfair Solicitation ("Confidentiality Agreement"), incorporated herein by reference as Exhibit D. In addition to the provisions of the Confidentiality Agreement, the Executive in consideration of the employment opportunity and compensation provided hereunder, agrees and covenants during the term of his affiliation with the Company (as an employee or otherwise):

a. **Non-Compete Undertaking.** For a period of twelve (12) months from separation from the Company, not to work or otherwise contribute his knowledge, directly or indirectly, in whole or in part, as an employee, officer, owner, manager, advisor, consultant, agent, partner, director, significant shareholder (i.e. a shareholder holding more than 5% of outstanding equity in the company), volunteer, intern or in any other similar capacity anywhere in the world to a business entity engaged in the same or substantially similar business as TeleTech its subsidiaries and affiliates, including entities engaged in the full life cycle of customer strategy, analytics-driven, technology-enabled customer engagement management solutions from customer engagement strategy consulting, to technology and analytics driven customer acquisition to technology solution development and integration to business process outsourcing customer care (collectively, "TeleTech Business"). The Non-Compete Undertaking shall apply throughout, and shall be limited by, the territory where the Executive performs services for the Company and TeleTech as provided in this Agreement. For the avoidance of doubt, the term "performs services for" shall not be limited to "works at" or any other limitation delineating where the Executive performs the actual services, but instead shall be related to the entire territory where the Company and TeleTech benefits and is reasonable to expect to benefit from the Executive's services. Given the Executive's role as the Senior Vice President for Enterprise Services business segment, and the world-wide reach of the Company's business, the territory for purposes of this Agreement shall be worldwide.

b. **Employee Non-Solicitation Undertaking.** For a period of twelve (12) months from separation from the Company, agrees not to solicit, hire, recruit, attempt to hire or recruit, or induce the termination of employment, directly or indirectly, of any then current employee of the Company or its subsidiaries and affiliates; and

c. **Client Non-Solicitation Undertaking.** For a period of twelve (12) months from separation from the Company, agrees not to solicit or interfere with business relationships between TeleTech and current and prospective (currently actively pursued) clients of TeleTech, or any of its subsidiaries and affiliates, for purposes of offering or accepting goods or services similar to or competitive with those offered by TeleTech or any of its subsidiaries and affiliates.

d. **Consequences of Breach.** If the Executive breaches any of the covenants and undertakings set forth in this Section 10:

(i) All of Executive's unvested RSUs shall be immediately forfeited and neither TeleTech nor the Company shall have any further liabilities to Executive pursuant to this Agreement, including without limitation no liability for any RSUs not yet granted or granted and unvested;

(ii) Executive and those who aid him in such breach shall be liable for all costs and business losses including any damages and out of pocket expenses associated with or resulting from such breach; and

(iii) Executive hereby consents and agrees that the Company and TeleTech shall be entitled to seek, in addition to other available remedies, a temporary or permanent injunction or other equitable relief against such breach or threatened breach from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall be in addition to, not in lieu of, legal remedies, monetary damages or other available forms of relief.

11. IRSC Section 409A.

a. Interpretation. This Agreement shall be interpreted and administered in a manner so that any amount or benefit payable hereunder shall be paid or provided in a manner that is either exempt from, or complies with, the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and the Internal Revenue Service guidance and Treasury Regulations thereunder ("Section 409A"). It is the Parties' intention that salary continuation payments under the Agreement will be exempt from the requirements of Section 409A because they are short term deferrals under Treas. Reg. Sec. 1.409A-1(b)(4) or payments under a separation pay plan within the meaning of Treas. Reg. Sec. 1.409A-1(b)(9) and the Agreement shall be construed and administered in a manner consistent with such intent.

b. Separation from Service; Separate Payments. Notwithstanding anything in this Agreement to the contrary, to the extent that any payment or benefit subject to Section 409A, including an exemption from Section 409A, and such payment or benefit would otherwise be payable or distributable hereunder by reason of Executive's termination of employment, all references to Executive's "termination of employment" shall be construed to mean a "separation from service," as defined in Treasury Regulation Section 1.409A-1(h), and Executive shall not be considered to have had a termination of employment unless such termination constitutes a "separation from service" with respect to Executive. If under this Agreement, an amount is to be paid in two or more installments, for purposes of Section 409A, each installment shall be treated as a separate payment.

c. Specified Employee. Notwithstanding anything in this Agreement to the contrary, if Executive is a "specified employee" (within the meaning of Treasury Regulation Section 1.409A-1(i)) on the date of Executive's "separation from service", any benefit or payment that constitutes non-exempt "nonqualified deferred compensation" (within the meaning of Section 409A) and is payable on account of the Executive's separation from service shall be delayed in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i), and any such delayed payment shall be paid to Executive in a lump sum during the ten (10) day period commencing on the earlier of (i) the expiration of a six-month period from the date of Executive's "separation from service," or (ii) Executive's death. To the greatest extent permitted under Section 409A, any separate payment or benefit under the Agreement will not be deemed to constitute "nonqualified deferred compensation" subject to Section 409A and the six-month delay requirement to the extent provided in the exceptions in Treasury Regulation Sections 1.409A-1(b)(4) or 1.409A-1(b)(9), or in any other applicable exception or provision of Section 409A.

d. Reimbursements. With regard to any provision in this Agreement that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, (i) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, (ii) the amount of expenses eligible for reimbursement, or in-kind benefits, provided during any taxable year shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year, provided that the foregoing clause (ii) shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such arrangement provides for a limit on the amount of expenses that may be reimbursed over some or all of the period the arrangement is in effect and (iii) such payments shall be made on or before the last day of Executive's taxable year following the taxable year in which the expenses were incurred.

e. **Cooperation.** If the Parties hereto determine that any payments or benefits payable under this Agreement intended to comply with Section 409A do not so comply, Executive and the Company agree to amend this Agreement, or take such other actions as Executive and the Company deem necessary or appropriate, to comply with the requirements of Section 409A, while preserving benefits that are, in the aggregate, no less favorable than the benefits as provided to Executive under this Agreement. If any provision of this Agreement would cause such payments or benefits to fail to so comply, such provision shall not be effective and shall be null and void with respect to such payments or benefits, and such provision shall otherwise remain in full force and effect.

12. Miscellaneous.

a. **Severability.** If any court of competent jurisdiction declares any provision of this Agreement invalid or unenforceable, the remainder of the Agreement shall remain fully enforceable. To the extent that any court concludes that any provision of this Agreement is void or voidable, the court shall reform such provision(s) to render the provision(s) enforceable, but only to the extent absolutely necessary to render the provision(s) enforceable.

b. **Modification of Agreement.** This Agreement or any other term or condition of employment shall not be modified by word or deed, except in writing signed by the Executive and the Executive Vice President, Chief Administrative Officer or Chief Executive Officer for TeleTech.

c. **Waiver.** No provision of this Agreement shall be deemed waived, nor shall there be an estoppel against the enforcement of any such provision, except by a writing signed by the party charged with the waiver or estoppel. No waiver shall be deemed continuing unless specifically stated therein, and the written waiver shall operate only as to the specific term or condition waived, and not for the future or as to any act other than that specifically waived.

d. **Construction.** Whenever applicable, masculine and neutral pronouns shall equally apply to the feminine genders; the singular shall include the plural and the plural shall include the singular. The Parties have reviewed and understand this Agreement, and each has had a full opportunity to negotiate the agreement's terms and to consult with counsel of their own choosing. Therefore, the Parties expressly waive all applicable common law and statutory rules of construction that any provision of this Agreement should be construed against the agreement's drafter, and agree that this Agreement and all amendments thereto shall be construed as a whole, according to the fair meaning of the language used.

e. **Executive's Representations and Warranties.** Executive represents and warrants, to the best of his knowledge, that the Executive is not a party to any employment, non-competition or other agreement or restriction which could interfere with the Executive's employment with the Company or Executive's or the Company's or TeleTech's rights and obligations hereunder, and that Executive's acceptance of employment with the Company and the performance of Executive's duties hereunder will not breach the provisions of any contract, agreement, or understanding to which Executive is a party or any duty owed by Executive to any other person.

f. **Counterparts, Telecopies and PDFs.** This Agreement may be executed in counterparts, or by copies transmitted by pdf or telecopier, which counterparts and/or facsimile transmissions shall have the same force and effect as had the contract been executed in person and in original form.

g. **Return and/or Forfeiture of Compensation and Equity Grants.** Notwithstanding any other provision in this Agreement or in the related RSU agreements, in the event that pursuant to the terms or requirements of the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or of any applicable laws, rules or regulations promulgated by the US Securities and Exchange Commission or any listing requirements of any stock exchange or stock market on which any securities of TeleTech trade, from time to time, and in the event any bonus payment, stock award or other payment is based upon the satisfaction of financial performance metrics which are subsequently reversed due to a restatement or reclassification of financial results of TeleTech, then any payments made

or equity awards granted (and equity received pursuant to these awards) shall be returned and forfeited to the extent required and as provided by applicable laws, rules, regulations or listing requirements. This Section 12(g) shall survive any expiration or termination of this Agreement for any reason.

h. **Controlling Provisions.** The employment arrangement contemplated by this Agreement includes other related documents in addition to this Employment Agreement, some of which are TeleTech and the Company's standard documents not otherwise tailored to this transaction. To the extent any provisions of these related agreements contradict the clear provisions and terms of this Employment Agreement, the provisions of this Agreement shall be controlling.

Executive acknowledges and agrees: that he understands this Agreement; that he enters into it freely, knowingly, and mindful of the fact that it creates important legal obligations and affects his legal rights; and that he understands the need to consult concerning this Agreement with legal counsel of his own choosing, and has had a full and fair opportunity to do so.

Executive:

TeleTech Services Corporation:

By: _____
Anthony Tsai

By: _____
Regina M. Paolillo, Chief Administrative and
Financial Officer

Date: _____

Date: _____

Exhibit A
To
Executive Employment Agreement
(Time-Based RSU Grant)
TELETECH HOLDINGS, INC.
Restricted Stock Unit Award Agreement

This Restricted Stock Unit Award Agreement (this "**Agreement**") is made and entered into as of [DATE] (the "**Grant Date**") by and between TeleTech Holdings, Inc., a Delaware corporation (the "**Company**") and Christopher Rence (the "**Grantee**").

This Agreement is governed by the terms of the TeleTech Holdings, Inc. 2010 Equity Incentive Plan (the "**Plan**") pursuant to which the Company may grant awards of Restricted Stock Units ("**RSUs**") to Eligible Individuals, including employees, directors and consultants of the Company and its Affiliates (together, "TeleTech"). Capitalized terms that are used but not defined herein have the meaning ascribed to them in the Plan. The terms and provisions of the Plan as they may be amended from time to time are incorporated herein by reference. In the event of a conflict between any term or provision contained in this Agreement and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

The parties agree to be legally bound by this Agreement, and in exchange for sufficient consideration, the adequacy of which is not in question, agree as follows:

1. **Grant of RSUs.** Pursuant to the Plan, the Company grants to the Grantee an RSU award in the amount of USD Six Hundred Fifty Thousand Dollars (\$650,000), which represents _____ shares of Common Stock of the Company at fair market value as of market close on the Start Date (rounded up or down to a whole number of shares) and on the terms and conditions provided in this Agreement and the Plan ("**RSU Award**").
2. **Consideration.** The grant of this RSU Award is in consideration of the services to be rendered by the Grantee to TeleTech during the restricted period and for other covenants provided in this Agreement.
3. **Restricted Period; Vesting.** Except as otherwise provided in the Plan and the Agreement and provided that the Grantee provides continuous services to TeleTech through each applicable vesting date, the RSUs will vest and the corresponding shares of Common Stock of the Company (or cash equivalent) will be issued in accordance with the following schedule:

<u>Vesting Date</u>	<u>Common Stock to Vest</u>
Year 2	40% RSUs to vest on this vesting date
Year 3	20% RSUs to vest on this vesting date
Year 4	20% RSUs to vest on this vesting date
Year 5	20% RSUs to vest on this vesting date

The period during which the RSUs remain unvested and forfeitable is referred to as the "**Restricted Period**".

- a. The unvested portion of the RSU Award shall be forfeited immediately upon the termination of the Grantee's services to TeleTech for any reason, including separation, death, disability or any other reason where the Grantee no longer is providing services to TeleTech, and the Company nor its Affiliates shall have any further obligations to the Grantee under this Agreement for such forfeited RSUs.
 - b. Pursuant to the delegation of the Compensation Committee of the Board, the executive leadership team of the Company (the "Executive Committee"), in its sole discretion, shall have the authority to determine the effect of all matters and questions with respect to Grantee's termination of affiliation with TeleTech and whether continuous services are being provided as these matters relate to RSU Award vesting, including, without limitation, the question of whether a termination of service has occurred, whether a leave of absence or disability constitute a termination of service and other similar questions.
 - c. For purposes of the Plan and this Agreement, a Grantee's status as an employee, director or consultant of TeleTech shall be deemed to be terminated in the event that the Company's subsidiary employing or contracting with such Grantee ceases to be a Company subsidiary following any merger, sale of stock or other corporate transaction or event (including, without limitation, a spin-off).
4. **Restrictions.** Subject to any exceptions set forth in this Agreement or the Plan, during the Restricted Period, the unvested portion of the RSU Award and any related rights may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Grantee. Any attempt to assign, alienate, pledge, attach, sell or transfer or encumber the RSU Award or its related rights during the Restricted Period shall be ineffective and, if any such attempt is made, the RSU Award will be forfeited by the Grantee and all of the Grantee's rights under the Plan and this Agreement shall immediately terminate without any payment or consideration by TeleTech.
 5. **No Right to Continued Service.** Neither the Plan nor this Agreement shall confer upon the Grantee any right to be retained in any position, as an employee, consultant or director of TeleTech. Further, nothing in the Plan or this Agreement shall be construed to limit the discretion of TeleTech to terminate the Grantee's services (employment or otherwise) at any time, with or without cause.
 6. **Adjustments.** Subject to the sole discretion of the Board of Directors, TeleTech may, with respect to any vested RSUs that have not been settled pursuant to the Plan, make any adjustments necessary to prevent accretion, or to protect against dilution, in the number and kind of shares that may be used to settle vested RSUs in the event of a change in the corporate structure or shares of TeleTech; provided, however, that no adjustment shall be

made for the issuance of preferred stock of TeleTech or the conversion of convertible preferred stock of TeleTech. For purposes of this Section 6, a change in the corporate structure or shares of TeleTech includes, without limitation, any change resulting from a recapitalization, stock split, stock dividend, consolidation, rights offering, spin-off, reorganization or liquidation, and any transaction in which shares of Common Stock are changed into or exchanged for a different number or kind of shares of stock or other securities of TeleTech or another entity.

7. **Tax Liability and Withholding.** The Grantee shall be required to pay, and the Company or its administrator shall have the right to deduct from any compensation paid to the Grantee pursuant to the Plan and the RSU Award, the amount of any required withholding taxes applicable upon the vesting of the RSU Award or the issuance of the Common Stock of the Company (or cash equivalent) and to take all such other action as the Company deems necessary to satisfy all obligations for the payment of such withholding taxes.
8. **Non-competition and Non-solicitation.**
- 8.1 In consideration of the RSU Award, the Grantee agrees and covenants during the term of his/her affiliation with TeleTech (employment or otherwise) **not to:**
 - d. **Non-Compete Undertaking.** For a period of twelve (12) months following your termination of employment, work or otherwise contribute his/her knowledge, directly or indirectly, in whole or in part, as an employee, officer, owner, manager, advisor, consultant, agent, partner, director, significant shareholder (i.e. a shareholder holding more than 5% of outstanding equity in any such entity), volunteer, intern or in any other similar capacity anywhere in the world to a business entity engaged in the same or substantially similar business as the Company, its subsidiaries and affiliates, including entities engaged in the full life cycle of customer strategy, analytics-driven, technology-enabled customer engagement management solutions from customer engagement strategy consulting, to technology and analytics driven customer acquisition to technology solution development and integration to business process outsourcing customer care (collectively, "TeleTech Business"). The Non-Compete Undertaking shall apply throughout, and shall be limited by, the territory where the Grantee performs services for TeleTech in connection with which the RSU Award was made. For the avoidance of doubt, the term "performs services for" shall not be limited to "works at" or any other limitation delineating where the Grantee performs the actual services, but instead shall be related to the entire territory where the Company benefits and is reasonable to expect to benefit from the Grantee's services.
 - e. **Employee Non-Solicitation Undertaking.** For a period of twelve (12) months following your termination from employment, solicit, hire, recruit, attempt to hire or recruit, or induce the termination of employment, directly or indirectly, of any then current employee of the Company or its subsidiaries and affiliates; and

- f. **Client Non-Solicitation Undertaking.** For a period of twelve (12) months following your termination of employment, solicit or interfere with business relationships between the Company and its current and prospective (currently actively pursued) clients of the Company or any of its subsidiaries and affiliates for purposes of offering or accepting goods or services similar to or competitive with those offered by the Company or any of its subsidiaries and affiliates.

8.2 If the Grantee breaches any of the covenants and undertakings set forth in this Section 8:

- a. All unvested RSU Awards shall be immediately forfeited and cancelled;
- b. He/she and those who aid him/her in such breach shall be liable for all costs and business losses including any damages and out of pocket expenses associated with or resulting from such breach; and
- c. The Grantee hereby consents and agrees that the Company shall be entitled to seek, in addition to other available remedies, a temporary or permanent injunction or other equitable relief against such breach or threatened breach from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall be in addition to, not in lieu of, legal remedies, monetary damages or other available forms of relief.

8.3 **Acknowledgements.**

- a. Grantee acknowledges that the non-competition and non-solicitation provisions above are fair and reasonable with respect to their scope and duration given the Grantee's position with TeleTech and the impact such activities would have on the TeleTech Business.
- b. Grantee further acknowledges that the geographic restriction on competition in this Section 8 is fair and reasonable, given the nature and geographic scope of the TeleTech Business, the investment of capital and resources by Company to develop its business operations, and the nature of Grantee's position with TeleTech.
- c. Grantee also acknowledges that while employed or otherwise affiliated with TeleTech, Grantee has access to proprietary and unique trade secret information that would be valuable or useful to Company's competitors and that Grantee will also have access to Company's valuable customer relationships and thus acknowledges that the restrictions on Grantee's future employment and business activities in TeleTech's industry as set forth in this Section 8 are fair and reasonable.

- d. Grantee acknowledges and is prepared for the possibility that Grantee's standard of living may be reduced during the non-competition and/or non-solicitation period and assumes and accepts any risk associated with that possibility, and further acknowledges that any such drop in Grantee's standard of living does not constitute undue hardship.
9. **Compliance with Law.** The issuance and transfer of shares of Common Stock of the Company upon the vesting of the RSU Award shall be subject to compliance by the Company and the Grantee with all applicable requirements of federal and state securities laws and with all applicable requirements of any stock exchange on which the Company's shares of Common Stock may be listed. No shares of Common Stock shall be issued or transferred unless and until any then applicable requirements of state and federal laws and regulatory agencies have been fully complied with to the satisfaction of the Company and its legal counsel. The Grantee understands that the Company is under no obligation to register the shares of Common Stock with the Securities and Exchange Commission, any state securities commission or any stock exchange to effect such compliance.
10. **Equity Holding Guidelines.** Some Grantees may be subject to the TeleTech executive Stock Ownership Guidelines, attached to this Agreement and incorporated within it by reference as Appendix A. If in your role you are subject to the Stock Ownership Guidelines, by signing below you (a) confirm that you are (i) aware of the Company's expectations with respect to your equity holdings in the Company, (ii) the time you have to honor these expectations and (iii) how the Company envisions that you reach the appropriate holding levels; and (b) hereby agree to exercise best efforts to meet such expectations.
11. **Data Privacy.** Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Grantee's personal data as described in this Agreement and any other RSU grant materials by and among, as applicable, the Grantee's employer, TeleTech and its other Affiliates for the exclusive purpose of implementing, administering and managing Grantee's participation in the Plan. Grantee understands that TeleTech and the employer may hold certain personal information about Grantee, including, but not limited to, Grantee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in TeleTech, details of all RSUs or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in Grantee's favor ("**Data**"), for the exclusive purpose of implementing, administering and managing the Plan.

Grantee understands that Data will be transferred to Bank of America, Merrill Lynch or such other stock plan service provider as may be selected by TeleTech in the future, which is assisting TeleTech with the implementation, administration and management of the Plan. Grantee understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country (e.g., the United States) may have different

data privacy laws and protections than Grantee's country. Grantee understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. Grantee authorizes TeleTech, Bank of America, Merrill Lynch and any other possible recipients which may assist TeleTech (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan. Grantee understands that Data will be held only as long as is necessary to implement, administer and manage Grantee's participation in the Plan. Grantee understands if he or she resides outside the United States, he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. Further, Grantee understands that he or she is providing the consents herein on a purely voluntary basis. If Grantee does not consent, or if Grantee later seeks to revoke his or her consent, his or her employment status or service and career with the employer will not be adversely affected; the only adverse consequence of refusing or withdrawing Grantee's consent is that TeleTech would not be able to grant Grantee RSUs or other equity awards or administer or maintain such awards. Therefore, Grantee understands that refusing or withdrawing his or her consent may affect Grantee's ability to participate in the Plan. For more information on the consequences of Grantee's refusal to consent or withdrawal of consent, Grantee understands that he or she may contact his or her local human capital representative.

12. **Governing Law and Dispute Resolution.**

- a. **Governing Law.** This Agreement will be construed and interpreted in accordance with the laws of the State of Colorado without regard to conflict of law principles.
- b. **Disputes.** The parties agree that any action arising from or relating in any way to this Agreement or the Plan shall be resolved and tried in the state or federal courts situated in Denver, Colorado. The parties consent to jurisdiction and venue of those courts to the greatest extent allowed by law.

In this regard, the Grantee acknowledges and admits to all or a combination of several following substantial contacts with Colorado: (i) Grantee is employed, provides services for or otherwise is affiliated with a legal entity headquartered in the state of Colorado; (ii) Grantee receives the compensation in a form of checks or wire transfers that are drawn either directly or indirectly, from bank accounts in Colorado; (iii) Grantee regularly interacts with, contacts and is contacted by other TeleTech employees and executives in Colorado; (iii) Grantee either routinely travels to or attends business meetings in Colorado; and (iv) Grantee receives substantial compensation and benefits as a result of TeleTech being a corporation headquartered in and subject to the laws of Colorado. Based on these and other

contacts, the Grantee acknowledges that he/she could reasonably be subject to the laws of Colorado.

- c. Attorneys fees. The party that substantially prevails in any action to enforce any provision of this Agreement shall recover all reasonable costs and attorneys' fees incurred in connection with the action.

13. **Administration of the Agreement and Awards.**

- a. Interpretation. Any dispute regarding the interpretation of this Agreement shall be submitted by the Grantee or the Company to the Committee for review. The resolution of such dispute by the Committee shall be final and binding on the Grantee and the Company.
- b. Settlement of Vested RSUs. RSUs subject to an RSU Award shall be settled pursuant to the terms of the Plan, in stock or cash, as soon as reasonably practicable following the vesting thereof, but in no event later than March 15 of the calendar year following the year in which the RSUs vest.
- c. Amendment. The Company has the right to amend, suspend, or cancel the unvested RSUs granted hereunder, prospectively; *provided that*, no such amendment shall adversely affect the Grantee's material rights under this Agreement without the Grantee's consent, and to the extent the RSUs hereby granted are not yet vested and the Grantee is not in breach of the Agreement, the Company shall provide a substitute instrument of equal value and no less favorable terms in exchange for amended, altered, suspended, discontinued or canceled RSUs.
- d. Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement will be binding upon the Grantee and the Grantee's beneficiaries, executors, administrators and the person(s) to whom the RSUs may be transferred by will or the laws of descent or distribution.
- e. Discretionary Nature of All Future Awards. This RSU Award is voluntary and occasional and does not create any contractual, statutory or other right to receive future RSU Awards, or benefits in lieu of RSUs, even if the RSUs have been granted in the past. Future Awards, if any, will be at the sole discretion of the Company.
- f. No Impact on Other Benefits. The value of the Grantee's Restricted Stock is not part of his/her normal or expected compensation for purposes of calculating any severance, retirement, welfare, insurance or similar employee benefit.

- 14. **Change of Control Provisions.** This RSU Award is subject to the Change of Control rights and entitlements as further referenced in Appendix B to this Agreement.

15. **Confidentiality.** Grantee agrees not to disclose, directly or indirectly, to any other employee, director or consultant of TeleTech or an Affiliate and to keep confidential all information related to any Awards granted to Grantee, pursuant to the Plan, including the amount of any such Award and its vesting schedule.
16. **Severability and Entirety.** The invalidity or unenforceability of any provision of the Plan or this Agreement shall not affect the validity or enforceability of any other provision of the Plan or this Agreement, and each provision of the Plan and this Agreement shall be severable and enforceable to the extent permitted by law.

The Agreement (including the Plan) constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior and contemporaneous agreements, oral or written, between the Company and Grantee relating to Grantee's entitlement to RSUs or similar benefits, under the Plan.
17. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. Counterpart signature pages to this Agreement transmitted by facsimile transmission, by electronic mail in portable document format (.pdf), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original signature.
18. **Acceptance.** The Grantee hereby acknowledges receipt of a copy of the Plan and this Agreement. The Grantee has read and understands its terms and provisions, and accepts the RSU Award subject to the terms and conditions of the Plan and this Agreement. The Grantee acknowledges that there may be adverse tax consequences upon the grant or vesting of the RSUs or disposition of the underlying shares and that the Grantee has been advised to consult a tax advisor prior to such grant, vesting or disposition.

The parties have executed this Agreement as of the date first above written.

TeleTech Holdings, Inc.

By: Regina Paolillo
Chief Administrative and Financial Officer

Anthony Tsai (Grantee)

APPENDIX A
(Restricted Stock Unit Award Agreement)

Executive Stock Ownership Guidelines

Equity provides the opportunity for the company to further invest in the employees who passionately uphold our values while driving the business with an entrepreneurial spirit. Company leaders who think and act like owners are crucial to our success and encouraging star players to actively participate in company growth is key to building our future together.

When a company's board of directors, shareholders and employees align their interest in organization's long-term success, the stage is set for true transformation. To that end, TeleTech has adopted Stock Ownership Guidelines to encourage company leaders (vice president-level and above) to align their interests with TeleTech and our stockholders and to focus on value creation, while sharing in the company's success. The following are answers to questions you may have about TeleTech's new Executive Stock Ownership Guidelines.

Executive Stock Ownership Guidelines

Q. Why are we implementing an Ownership Guideline?

A. The Guidelines are designed to align our senior leaders' interests with our shareholders' interest, driving a long-term vision and commitment to creating company value. The Executive Ownership Guidelines are also designed to:

- Support confidence in company strategy to execute our business transformation
- Allow us to remain an attractive and competitive choice for executive-level talent by adopting best practices
- Align executive behavior with external shareholder expectation
- Drive long-term accountability
- Enable company success

Q. How much stock should I hold as a company leader?

A. The new Executive Stock Ownership Guidelines call for TeleTech vice presidents and above to hold a multiplier of base compensation in TeleTech stock (based on Fair Market Value (FMV) of stock as it trades on NASDAQ). Employees will have five years from the start of this requirement (or promotion into a new role) to meet the holding Guidelines.

Employee Level	Target Holding Amount within 5 Years
Chief Financial Officer	3 times current base salary
Executive Vice President	2.5 times current base salary
Senior Vice President	1.5 times current base salary
Vice President	0.5 times current base salary

Q. Do I have to buy TeleTech stock to meet this holding Guideline?

A. TeleTech does not expect you to buy TeleTech stock to meet the holdings Guidelines, and how you meet them is entirely up to you. Most employees will be able to meet the requirement by holding a portion of their annual equity grant (net of tax), as it vests.

Q. How many shares should I consider holding from each RSU grant to meet the holding Guidelines?

A. How much you hold from each grant and from each vesting event is entirely up to you. Based on basic modeling, however, we believe that if you hold a percentage of each vesting event (net of tax as indicated in the table below) you should comfortably reach the holding requirement in five years or sooner.

The holding guideline can be satisfied with any stock you hold including:

- the exercise of options to purchase the company's common stock
- the vesting of restricted stock; and
- the vesting of performance shares.

Employee Level	Guideline of Percentage of Net Shares to Hold
Executive Vice President	75%
Senior Vice President	75%
Vice President	50%

Once the holding target is reached, you should maintain it during your entire tenure in the role; and as your role changes be aware of the changes in the holding guidelines as well.

Q. What happens if I don't reach my target holding amount within the five-year time frame due to market volatility or amount of my equity awards?

A. If the actual Equity Grants you receive and/or market price volatility does not allow an employee to reach the target holding level within the required five-year time frame, the company does not expect employees to invest out of pocket. The company expects the Equity Grants you receive to be the source for the holding requirement and we look to you as a leader to exercise a good faith effort to honor the requirements. If the Equity Grants you receive or market volatility creates a challenge, discuss the matter with your supervisor and your HC partner for a practical resolution.

Q. What if I have a special situation (hardship) that makes maintaining the holding requirement difficult for me?

A. The Executive Ownership Guidelines is designed to align your interests with the company's interests and position you to share in our success. If your personal situation makes the compliance with the Ownership Guidelines a hardship, speak to your HC partner and the Executive Committee level executive responsible for your business segment for guidance and support.

Q. Whom should I contact with questions?

A. If you have questions, please contact [Pam LeMasters](#), director, Global Compensation via email or by phone at 303.397.8531.

APPENDIX B
(Restricted Stock Unit Award Agreement)

RSU VESTING FOLLOWING CHANGE IN CONTROL (Single Trigger).

1. **Accelerated Vesting.** Notwithstanding the vesting schedule contained in Section 3 of the Restricted Stock Unit Award Agreement, upon a "Change in Control" (as defined below), any unvested RSUs that would otherwise vest on or after the effective date of the Change in Control shall be accelerated and become 100% vested on the effective date of the Change in Control; provided, however, that for purposes of a Change in Control pursuant to clause 2(a), the unvested RSUs shall be deemed to have vested immediately prior to a Change in Control transaction described in clause 2(a) below, in order to allow such RSUs to participate in such Change in Control transaction.
 2. **Definition of "Change in Control".** For purposes of this Agreement, "Change in Control" means the occurrence of any one of the following events:
 - a. Any consolidation, merger or other similar transaction (i) involving TeleTech, if TeleTech is not the continuing or surviving corporation, or (ii) which contemplates that all or substantially all of the business and/or assets of TeleTech will be controlled by another corporation;
 - b. Any sale, lease, exchange or transfer (in one transaction or series of related transactions) of all or substantially all of the assets of TeleTech (a "Disposition"); provided, however, that the foregoing shall not apply to any Disposition to a corporation with respect to which, following such Disposition, more than 51% of the combined voting power of the then outstanding voting securities of such corporation is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners of at least 51% of the then outstanding Common Stock and/or other voting securities of TeleTech immediately prior to such Disposition, in substantially the same proportion as their ownership immediately prior to such Disposition;
 - c. Approval by the stockholders of TeleTech of any plan or proposal for the liquidation or dissolution of TeleTech, unless such plan or proposal is abandoned within 60 days following such approval;
 - d. The acquisition by any "person" (as such term is used in Sections 13(d) and 14(d)(2) of the U.S. Securities Exchange Act of 1934, as amended), or two or more persons acting in concert, of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the U.S. Securities Exchange Act of 1934, as amended) of 51% or more of the outstanding shares of voting stock of TeleTech; provided, however, that for purposes of the foregoing, "person" excludes Kenneth D. Tuchman and his affiliates; provided, further, that the foregoing shall exclude any such acquisition (A) by any person made directly from TeleTech, (B) made by TeleTech or any Affiliate, or (C) made by an employee benefit plan (or related trust) sponsored or maintained by TeleTech or any Affiliate; or
 - e. If, during any period of 15 consecutive calendar months commencing at any time on or after the Grant Date, those individuals (the "Continuing Directors") who either (i) were directors of TeleTech on the first day of each such 15-month period, or (ii) subsequently became directors of TeleTech and whose actual election or initial nomination for election subsequent to that date was approved by a majority of the Continuing Directors then on the board of directors of TeleTech, cease to constitute a majority of the board of directors of TeleTech.
-

3. **409A Treatment.** Notwithstanding any provision herein to the contrary, for purposes of this Appendix B, if Grantee separates from the Company in connection with the Change in Control, such separation shall constitute a "separation from service" as defined for purposes of Section 409A of the Code ("Section 409A") with regard to Grantees who are subject to Section 409A. If Grantee has a "separation from service" following a Change in Control pursuant to Appendix B, the RSUs vesting as a result of such "separation from service" will be paid on a date determined by TeleTech (or successor) within 5 days of Grantee's "separation from service." If Grantee is a "specified employee" (within the meaning of Section 409A) with respect to TeleTech at the time of a "separation from service" and Grantee becomes vested in RSUs as a consequence of a "separation from service," the delivery of property in settlement of such vested RSUs shall be delayed until the earliest date upon which such property may be delivered to Grantee without being subject to taxation under Section 409A.

This Agreement and the Award are intended to be exempt from the provisions of Section 409A and Department of Treasury regulations and other interpretive guidance issued thereunder, as providing for any payments to be made within the applicable "short-term deferral" period (within the meaning of Section 1.409A-1(b)(4) of the Department of Treasury regulations) following the lapse of a "substantial risk of forfeiture" (within the meaning of Section 1.409A-1(d) of the Department of Treasury regulations). Notwithstanding any provision of this Agreement to the contrary, in the event that the Committee determines that the Award may be subject to Section 409A, the Committee, in its sole discretion, may adopt amendments to this Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, from time to time, without the consent of Grantee, that the Committee determines are necessary or appropriate to (a) exempt the Award from Section 409A and/or preserve the intended tax treatment of the benefits provided with respect to the Award, or (b) comply with the requirements of Section 409A and related Department of Treasury guidance and thereby avoid the application of penalty taxes under Section 409A.

Exhibit B
To
Executive Employment Agreement
(Repayment Agreement of Relocation Fee for Anthony Tsai)

TeleTech Services Corporation recognizes that the relocation of an employee bears a toll on the employee and in recognition of this fact wants to offer a cash allowance to defray some of these costs (up to an amount stated below.) It is the objective of this agreement to set mutually clear expectations for both the employer and employee with respect to the parties' mutual responsibilities in connection with this relocation allowance.

This Agreement is made and entered into this:

Date: By and between: **TeleTech Services Corporation**, with its principal place of business located at 9197 S. Peoria Street, Englewood, CO 80112 (hereinafter "TeleTech")

And **Employee**: Anthony Tsai (the "Employee")

Email:

Origination: Relocation: Englewood, CO

Amount:

TeleTech supports relocation allowances in good faith that the employee will have a productive tenure with the company. TeleTech's vision is to create and grow emotionally connected, valuable, lasting relationships.

As a condition of this relocation allowance, the Employee agrees that if they voluntarily terminate their employment within 24 months of the Start Date of his/her employment, the Employee will repay the relocation allowance to TeleTech on the last day of employment with the company.

Number of months after allowance given:

0 - 12 months = 100% repayment of allowance

13 - 24 months = 50% repayment of allowance

I acknowledge that I have received a copy of TeleTech's Relocation Repayment Agreement and I agree to **Do the Right Thing** and abide by the contents of the document. Repayments may be deducted from my final paycheck(s) as allowed by state law.

Accepted and Agreed

Anthony Tsai

Date:

Exhibit C
To
Executive Employment Agreement
(Sample Severance Agreement and Release of Claims)

)
[DATE]

PERSONAL & CONFIDENTIAL

[NAME]
[ADDRESS]

Dear [NAME]:

As you have been advised, your employment with TeleTech Services Corporation (“TeleTech” or “the Company”) will terminate effective the close of business on _____ (“Termination Date”). This letter contains a Settlement Agreement and Release of Claims (“Agreement”) intended to resolve any and all disputes arising from your employment and your separation from employment with TeleTech on mutually agreeable terms as set forth below. Please review it carefully, and if it is acceptable to you, sign and return an original copy to TeleTech Human Capital Department, 9197 S. Peoria Street, Englewood, Colorado 80112 Attn: Settlement Agreements, either by mail or by hand delivery. If you are 40 or over, you have been provided 21 days from the date of this Agreement to consider whether to enter into this Agreement.

SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS

This Agreement is made between _____ (“you”) and TeleTech (collectively, the “Parties”). In consideration of the mutual promises and other benefits set forth herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Settlement Payment:** Provided that you sign and return this Agreement, and it thereafter becomes effective as described below, you will receive a settlement payment equivalent to _____ of your base salary, for a total amount of \$_____ (“Settlement Payment”). Payment shall be made in bi-weekly installments in accordance with the Company’s normal payroll schedule, less applicable federal, state, and local taxes and other authorized deductions and shall be started within 15 days of the Termination Date.
2. **Benefits:** Your current medical, dental, vision and healthcare flexible spending account coverage (to the extent that you have a positive balance in that account as of today’s date) will be continued until the Termination Date. After the Termination Date, you may continue your existing medical insurance coverage at your own expense pursuant to your rights under federal law (commonly referred to as “COBRA”). You will receive information on COBRA in a later mailing.
3. **Other Compensation Due You:** You will receive payment for any salary earned through the date of your separation from the Company, less applicable taxes and authorized or required withholding deductions. You understand that you will be paid your earned wages and commissions, if any, set forth in this paragraph regardless of whether you sign this Agreement.
4. **Reimbursement for Business Expenses:** Within five days of the Termination Date, you will provide to the Company expense reports detailing all items, if any, for which you seek reimbursement, and the required

supporting documentation for such expenses. If you hold a corporate credit card account, and there is an outstanding amount due and owing on that account, you must submit documentation showing that the account has been paid in full within five days of the Termination Date and understand and agree that if you do not, the Company may withhold any amounts due and owing on that account from the Settlement Payment. Your expense reports and supporting documentation will be subject to the same level of review that all other similar submissions receive from the Company's Accounting Department. The Company will reimburse you in accordance with its existing policies and procedures. In addition, you will provide supporting documentation for all previously filed expense reports and agree to cooperate with the Company's Accounting Department to resolve in good faith any issues relating to expenses.

5. **Return and Prohibition of Removal of Company Property and Records.** Except as otherwise specifically provided in this Agreement, you shall return all Company property and records on the Termination Date. In the event you fail to return such property or records provided herein, you shall be liable to the Company for the value of all such property and records, and all reasonable costs, including attorneys' fees, incurred by the Company in recovering such property or records. Company property and records shall include, but is not limited to, cell phones, pagers, BlackBerry devices, tablets, laptops, printers, fax machines, and any Company related document whether in written or electronic form and whether created by you or another person or entity. Company equipment, files or business information of any kind, whether written, electronic, digital, or otherwise, shall not be copied, taken or otherwise used by you without the prior written consent of the Company. In addition, the Company reserves the right to pursue all legal and equitable relief available for breach of this paragraph.
6. **Agreement to Protect Confidential Information, Assign Inventions, and Prevent Unfair Competition and Unfair Solicitation.** You understand that all terms and conditions of your "Agreement to Protect Confidential Information, Assign Inventions, and Prevent Unfair Competition and Unfair Solicitation" (the "Non-Compete Agreement") and any other applicable employment documents you signed during your employment at TeleTech, survive Termination and shall remain in full force and effect.
7. **Acknowledgment:** You understand and agree that, absent this Agreement, you would not otherwise be entitled to the payment specified in Paragraph 1. Further, by signing this Agreement, you agree that you are entitled only to the payments described in this Agreement and that you are not entitled to any payments that are not specifically listed in this Agreement, excluding vested rights you may have pursuant to the Company's 401(k), Stock Option, Restricted Stock Units and Life Insurance plans.
8. **General Release of All Claims:** In exchange for the Company's payments in Paragraph 1, you promise that you will not sue TeleTech Services Corporation, including its past and present parents, subsidiaries, partnerships, affiliated companies, officers, directors, employees, or agents. By signing below, you release TeleTech Services Corporation, including its past and present parents, subsidiaries, partnerships, affiliated companies, officers, directors, employees or agents (collectively, the "Released Parties"), from any and all claims you may have, known or unknown, that are releasable by private agreement, arising at any time through the date that this Agreement becomes effective, which is eight [8] days after you sign it without revoking it. The release specifically includes and is not limited to:
 - a. any and all rights or claims under any of the following laws: Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000-e, as amended; the Civil Rights Act of 1991; Sections 1981 through 1988 of Title 42 of the United States Code, as amended; the Family and Medical Leave Act of 1993, as amended; the Worker Adjustment and Retraining Notification Act, as amended; the Fair Labor Standards Act of 1938, as amended; the National Labor Relations Act; the Occupational Safety and Health Act, as amended; the Age Discrimination in Employment Act; the Americans with Disabilities Act of 1990, as amended; the Civil Rights Acts of 1866, 1871, and 1991; the Equal Pay Act of 1963; the Employee Retirement and Income Security Act of 1974, as amended; the Immigration Reform and Control Act, as amended; the Conscientious Employee Protection Act, the Colorado Anti-Discrimination Act and any other federal, state, or local employment statute,

law, or ordinance, including any and all claims of employment discrimination based on race, color, creed, religion, national origin, sex, age, marital status, disability, sexual orientation, lawful off-duty conduct, or retaliation; and

- b. any and all common-law claims such as wrongful discharge, violation of public policy, breach of contract, promissory estoppel, defamation, negligence, infliction of emotional distress, any intentional torts, outrageous conduct, interference with contract, fraud, misrepresentation, and invasion of privacy; and
- c. any and all claims for any of the following: money damages (including actual, compensatory, liquidated or punitive damages), equitable relief such as reinstatement or injunctive relief, front or back pay, wages, commissions, bonuses, benefits, sick pay, PTO pay, vacation pay, costs, interest, expenses, attorney fees, or any other remedies; and
- d. any and all claims arising under any federal or state "whistleblower" law, including without limitation the Sarbanes-Oxley Act of 2002, the Whistleblower Protection Act, and common-law wrongful discharge in violation of public policy.

9. **Age Waiver for Employee 40 Years Old or More:** By signing this Agreement, you acknowledge that:

- a. The General Release in this Agreement includes a waiver and release of all claims you may have under the Age Discrimination in Employment Act of 1967 (29 U.S.C. § 621 et seq.);
- b. You have carefully read, and understand, this Agreement;
- c. You have twenty-one (21) days from the date of this Agreement to consider your rights and obligations under this Agreement and if you elect to sign it sooner, have done so knowingly, voluntarily, and after giving it your due consideration;
- d. You were, and hereby are, advised to consult with an attorney and/or any other advisors of your choice before signing this Agreement;
- e. You understand that this Agreement is legally binding and by signing it you give up certain rights;
- f. You have voluntarily chosen to enter into this Agreement and have not been forced or pressured in any way to sign it;
- g. You knowingly and voluntarily release the Released Parties from any and all claims you may have, known or unknown, in exchange for the payments and benefits you have obtained by signing this Agreement, and that these payments are in addition to any payments or benefits you would have otherwise received if you did not sign this Agreement;
- h. You have seven (7) days from the date you sign this Agreement to change your mind and revoke your acceptance. To be effective, your revocation must be in writing and tendered to TeleTech Corporate Headquarters, Human Capital Department, 9197 S. Peoria Street, Englewood, Colorado Attn: Settlement Agreements, either by mail or by hand delivery, within the seven (7) day period. If by mail, the revocation must be: 1) postmarked within the seven (7) day period; 2) properly addressed; and 3) sent by Certified Mail, Return Receipt Requested. The Agreement will become effective on the eighth day after you sign it, provided you do not revoke your acceptance. You understand that the Company is not required to make the payments described herein unless and until this Agreement becomes effective; and
- i. You understand that this Agreement does not waive any rights or claims that may arise after this Agreement is signed and becomes effective, which is after the Company's actual receipt of your signed signature page and after the 7-day revocation period has expired.

10. **No Admission of Wrongdoing:** By entering into this Agreement, neither you nor the Company nor any of the Released Parties suggest or admit any wrongdoing or violation of law.

11. **No Claims Filed:** As a condition of the Company entering into this Agreement, you represent that you have not filed, and do not intend to file, any lawsuit against the Company, or any of the other Released Parties. This Agreement shall not be construed to prohibit you from filing a charge or complaint with the National Labor Relations Board, the Equal Employment Opportunity Commission, or participating in any investigation or proceedings conducted by either entity.
12. **Confidentiality:** You agree that the terms of this Agreement are confidential. You also agree not to tell anyone about this Agreement and not to disclose any information contained in this Agreement to anyone, other than your lawyer, financial advisor and immediate family members, unless you are compelled to do so by law. If you do tell your lawyer, financial advisor or immediate family members about this Agreement or its contents, you must immediately tell them that they must keep it confidential as well.
13. **Breach of this Agreement:** You promise to abide by the terms and conditions in this Agreement and understand that if you do not, the Company is entitled to seek damages and injunctive relief.
14. **Entire Agreement:** This Agreement, together with the Arbitration Agreement, Agreement to Protect Confidential Information, Assign Inventions and Non-Solicitation (collectively, the "Employee Agreements") constitute the complete understanding between the Parties concerning all matters affecting your employment with the Company, the termination thereof and any ongoing responsibilities. You hereby affirm and will comply with any and all ongoing obligations contained in the Employee Agreements, including obligations relating to confidentiality of Company information and binding arbitration. Moreover, you acknowledge that no promises or representations have been made to induce you to sign this Agreement other than as expressly set forth herein and that you have signed this Agreement as a free and voluntary act.
15. **Severability.** If any clause, provision or paragraph of this Agreement is found to be void, invalid or unenforceable, such finding shall have no effect on the remainder of this Agreement, which shall continue to be in full force and effect. Each provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.
16. **Changes to the Agreement:** This Agreement may not be changed unless the changes are in writing and signed by you and an authorized representative of the Company.
17. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Colorado, excluding its choice of law rules, and shall be binding upon the parties hereto and their respective successors and assigns.

If you agree, please sign and return to the Company as instructed above.

By signing below, you accept
this Agreement and all of
the terms herein.

TeleTech Services Corporation

By: _____

By: _____

Date: _____

Date: _____

Exhibit D
To
Executive Employment Agreement
(Standard Agreement to Protect Confidential Information, Assign Inventions and Prevent Unfair Competition and Unfair Solicitation, which
the Executive signed prior to Start Date)

STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT (this "Agreement") is made as of November __, 2017, by and among Motif, Inc., a California corporation ("Company"), the shareholders of Company listed on Exhibit A and the signature pages hereto (each, a "Seller" and collectively, the "Sellers"), Kaushal Mehta, an individual, Parul Mehta, an individual, The Ishan Mehta Irrevocable Trust, The Anishi Mehta Irrevocable Trust (Kaushal Mehta, Parul Mehta, The Ishan Mehta Irrevocable Trust and The Anishi Mehta Irrevocable Trust collectively, "Founders" and individually each a "Founder"), Outforce LLC (to initially serve as the "Sellers' Agent"), and TeleTech Services Corporation, a Colorado corporation ("Buyer").

Recitals

WHEREAS, Buyer desires to purchase seventy percent (70%) of Company's issued and outstanding capital stock (the "Company Shares") from the Sellers, consisting of all of the shares of Company Series A Preferred Stock from the Series A Preferred Stock Investors and shares of Company Common Stock from the Former Employees, and Sellers desire to sell the Company Shares to Buyer in accordance with the terms of this Agreement.

WHEREAS, Founders have agreed to sell their shares in Company's capital stock (the "Founder Shares") to the Buyer at a later date, pursuant to the terms of a Shareholders Agreement (as defined below).

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements herein contained, and intending to be legally bound hereby, the Parties hereto hereby agree as follows:

SECTION 1. DEFINITIONS AND INTERPRETATION.

For purposes of this Agreement, the following terms shall have the meanings set forth below:

- 1.1 "2012 Stock Plan" means the Motif 2012 Stock Plan, as amended.
- 1.2 "Adjustment Amount" means the amount (which may be a positive or negative number) equal to the (x) the Purchase Price, as finally determined pursuant to Section 2.4, minus (y) the Estimated Purchase Price, if any.
- 1.3 "Affiliate" means, with respect to any Person, any other Person controlling, controlled by or under common control with such particular Person, where "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person whether through the ownership of voting securities, as trustee, personal representative or executor, by Contract, credit arrangement or otherwise.
- 1.4 "Ancillary Agreements" means the Founder Employment Agreements and the Shareholders Agreement.
- 1.5 "Base Purchase Price" means \$46,900,000.

- 1.6 “Business” means business process outsourcing operations (customer contact center).
- California. 1.7 “Business Day,” means any day that is not a Saturday, Sunday or other day on which banks are required or authorized by Law to be closed in the state of
- 1.8 “Capitalized Leases” means any Liabilities under leases that would be considered capitalized leases under IFRS.
- 1.9 “Closing Cash” means the total amount of cash in the Company’s bank account(s) as of the end of business on the Closing Date.
- 1.10 “Closing Date Indebtedness” means the Indebtedness as of the end of business on the Closing Date.
- 1.11 “Closing Working Capital” means, with respect to Company, the working capital of the Company on the Closing Date immediately after Closing has occurred, as calculated and determined as set forth on Exhibit B attached hereto.
- 1.12 “Closing Working Capital Adjustment Amount” means (i) the amount by which final Closing Working Capital exceeds the Target Closing Working Capital or (ii) the amount by which final Closing Working Capital is less than the Target Closing Working Capital, in each case, if applicable; provided that any amount which is calculated pursuant to clause (ii) above shall be expressed as a negative number.
- 1.13 “COBRA” means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended from time to time.
- 1.14 “Code” means the Internal Revenue Code of 1986, as amended from time to time.
- 1.15 “Company Employee Plan” means (i) each “employee benefit plan” (as such term is defined in Section 3(3) of ERISA, regardless of whether subject to ERISA) and each compensation, deferred compensation, cash incentive, equity or equity-based incentive, stock purchase, pension, retirement, supplemental retirement, severance, supplemental unemployment, change of control or other transaction-based incentive, retention incentive, golden parachute, health and welfare, vacation, sick pay, cafeteria, retiree, reimbursement, fringe benefit and other employee benefit plan, program, policy, agreement or arrangement (A) maintained, sponsored, contributed to or required to be contributed to by Company or, with respect to current or former employees and their dependents of Company, by Sellers or (B) under which Company has or may have any Liability, in each case other than any statutory plan, program or arrangement that is required to be contributed to by Company under applicable Law and maintained by any Governmental Authority and (ii) each Contract to which Company is a party for the employment or engagement of any individual on a full-time, part-time, consulting or other basis, in each case of (i) and (ii) whether written or unwritten, unfunded or funded, or ongoing or terminated.
- 1.16 “Company Material Adverse Effect” means any effect, event, fact, development, circumstance, or change that, individually or in the aggregate, has (a) resulted or

would reasonably be expected to result in a material delay or impediment to the ability of Sellers or Company to perform their obligations under this Agreement or to consummate the transactions contemplated hereby, or (b) had or would reasonably be expected to have a material adverse effect upon the assets (whether tangible or intangible), Liabilities, business, results of operations or condition (financial or otherwise) of Company, taken as a whole; provided, however, that, in the case of clause (b), none of the following (or the results thereof) shall be taken into account, either alone or in combination in determining whether a Company Material Adverse Effect has occurred: (i) any change in general economic or political conditions or changes affecting the industry generally in which Company operates; (ii) any natural disaster, any act of terrorism, sabotage, military action or war (whether or not declared) or any other social or political disruption, in each case including any escalation or worsening thereof; (iii) any adverse change arising from or relating to any actual or proposed change in Laws applicable to Company or in the interpretation thereof; (iv) the announcement of this Agreement or the transactions contemplated by this Agreement or other communication by Buyer of its plans or intentions with respect to Company; or (v) the consummation of the transactions contemplated by this Agreement or any actions by Buyer or Company taken pursuant to this Agreement; provided, however, that with respect to the foregoing clauses (i), (ii), and (iii), any such change, event, circumstance, occurrence or effect shall only be disregarded in determining whether a "Company Material Adverse Effect" has occurred to the extent it does not disproportionately impact Company and their respective businesses in comparison to other participants in the industry in which Company operate.

1.17 "Company Stock Option Plans" means the 2012 Stock Plan, and the Motif, Inc. 2002 Equity Incentive Plan, each as amended to date.

1.18 "Contract" means any contract, agreement, license, sublicense, mortgage, purchase order, indenture, loan agreement, lease, sublease, agreement or instrument or any binding commitment to enter into any of the foregoing (in each case, whether written or oral).

1.19 "D&O Tail Policy" means a directors' and officers' liability and fiduciary liability insurance coverage for all directors, officers and employees of Company that covers on a primary basis acts or omissions occurring on or prior to the Closing (including with respect to acts or omissions occurring in connection with this Agreement and the consummation of the transactions contemplated hereby) with a coverage period of no less than six (6) years and with retention or deductible amounts and coverage limit reasonably acceptable to Buyer.

1.20 "Disclosure Schedule," "Disclosure Schedules" or "Schedule" means the Disclosure Schedule attached hereto as Exhibit C, dated as of the date hereof, delivered by Company to Buyer in connection with this Agreement.

1.21 "EBITDA" means earnings before interest, taxes, depreciation and amortization. Individual elements and components of the EBITDA calculation will be determined in accordance with the financial statements which shall be based upon IFRS.

1.22 "Environmental Laws" means all applicable Laws and any judicial or administrative interpretation thereof, including all judicial and administrative Orders and determinations, and all contractual obligations, in each case concerning pollution, natural resources or use thereof, regulation or protection of the environment, or exposure to Hazardous

Materials, including all those relating to the generation, handling, transportation, treatment, storage, sale, distribution, labeling, discharge, Release, control, or cleanup of any Hazardous Materials or any other hazardous materials, substances or wastes.

1.23 “ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time.

1.24 “ERISA Affiliate” means any entity that would have ever been considered a single employer with Company under Section 4001(b) of ERISA or part of the same “controlled group” as Company for purposes of Section 302(d)(3) of ERISA.

1.25 “Estimated Closing Working Capital” means the estimate of Closing Working Capital set forth in the final, agreed upon Estimated Closing Statement, which shall be calculated in accordance with Exhibit B attached hereto.

1.26 “Estimated Purchase Price” means \$[_____] which is an amount equal to the Parties’ estimate as of the Closing and shall be calculated as follows: (i) the Base Purchase Price, plus (ii) the Estimated Working Capital Adjustment Amount (which may be a positive or negative number), minus (iii) the amount of estimated Closing Date Indebtedness (all as set forth in the final, agreed upon Estimated Closing Statement), plus (iv) the total amount of estimated Closing Cash (which is intended to be equivalent to estimated Closing Date Indebtedness) on the Closing Date, minus (v) \$15,000 (estimated to be fifty percent (50%) of the Exchange Agent Fees).

1.27 “Estimated Working Capital Adjustment Amount” means (i) the amount by which Estimated Closing Working Capital exceeds the Target Closing Working Capital or (ii) the amount by which Estimated Closing Working Capital is less than the Target Closing Working Capital, in each case, if applicable; provided that any amount which is calculated pursuant to clause (ii) above shall be expressed as a negative number.

1.28 “Exchange Agent Fees” means the fees and costs charged by HSBC Bank USA, N.A. and its Affiliates (the “Exchange Agent”) to Buyer and its Affiliates in connection with serving as the exchange agent with respect to the transactions under this Agreement.

1.29 “Former Employees” means each of those Sellers indicated as a “Former Employee” on Exhibit A.

1.30 “Governmental Authority” means any government or political subdivision, whether federal, state, local or foreign, or any agency or instrumentality of any such government or political subdivision, or any federal, state, local or foreign court or arbitrator (which, for purposes of clarity, shall also include all Governmental Authorities of or located in the Philippines and India, including for example, the Reserve Bank of India and the relevant state Registrar of Companies in India).

1.31 “Hazardous Materials” means any material, substance, radiation, or waste listed, defined, regulated, or that forms the basis for Liability under Environmental Laws, including the federal Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq., or the federal Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq., due to its hazardous, harmful, dangerous or deleterious qualities.

1.32 “IFRS” means the International Financial Reporting Standards developed by the International Accounting Standards Board.

1.33 “Indebtedness” means the sum of (i) any indebtedness for borrowed money, (ii) any indebtedness evidenced by any note, bond, debenture or other debt security, (iii) any indebtedness for the deferred purchase price of property or services with respect to which a Person is liable, contingently or otherwise, as obligor or otherwise, (iv) any commitment by which a Person assures a creditor against loss (including contingent reimbursement Liability with respect to letters of credit), (v) any indebtedness guaranteed in any manner by a Person (including guarantees in the form of an agreement to repurchase or reimburse), (vi) Capitalized Leases, (vii) any indebtedness secured by a Lien on a Person’s assets, (viii) any amounts owed to any Person under any noncompetition, severance or similar arrangement, (ix) any change-of-control, bonus, retention or similar payment or increased cost that is triggered in whole or in part by the transactions contemplated by this Agreement, (x) any Liability of a Person under deferred compensation plans, incentive plans, phantom stock plans, severance or bonus plans, or similar arrangements, (xi) all employer-paid or payable payroll Tax Liabilities associated with the amounts in clauses (viii), (ix) and (x), (xii) any off-balance sheet financing of a Person (but excluding all leases recorded for accounting purposes by the applicable Person as operating leases), (xiii) any accrued and unpaid interest on, and any prepayment premiums, penalties or similar contractual charges in respect of, any of the foregoing obligations computed as though payment is being made in respect thereof on the applicable closing date, and (xiv) any Transaction Expenses.

1.34 “Intellectual Property Rights” means: means all intellectual property and proprietary rights, domestic and foreign, including without limitation: (i) patents, (ii) copyrights (including software code and related documentation), (iii) trademarks, service marks, trade names and other sources of origin, and all goodwill associated therewith; (iv) with respect to (i) through (iii), all registrations and applications therefor, (v) Internet domain names registrations, (vi) trade secrets, in each case, to the extent protectable by applicable Law, and (vii) all physical embodiments of, and all intellectual property rights associated with, any of the foregoing.

1.35 “IT Assets” means all computer systems, including software, hardware, firmware, middleware and platforms, interfaces, systems, networks, information technology equipment, websites, network infrastructure, switches, data communications lines and associated documentation used or held for use by or on behalf of Company in connection with the conduct of its businesses.

1.36 “Knowledge,” “to Company’s Knowledge” and words and phrases of similar import mean the actual knowledge of any of the officers or directors of Company, or the knowledge that any of the foregoing Persons would have after reasonable inquiry.

1.37 “Law” means any statute, law, ordinance, regulation, rule, code, Order, requirement or rule of law (including common law), approvals, interpretive guidance or awards of, or issued by, any Governmental Authority.

1.38 “Leased Real Property,” means the real property leased, subleased or licensed by Company as tenant, subtenant, licensee or other similar party, together with, to the

extent leased, licensed or owned by Company, all buildings and other structures, facilities or leasehold improvements, currently or hereafter located thereon, all fixtures, systems, equipment and items of personal property and other assets of every kind, nature and description of Company located at or attached or appurtenant thereto and all easements, licenses, rights, options, privileges and appurtenances relating to any of the foregoing.

1.39 "Liability" means any liability, debt, obligation, deficiency, Tax, penalty, assessment, fine, claim, cause of action or other loss, fee, cost or expense (including attorneys and other professional's fees), penalty, award, commitment, duty, and responsibility of any kind or nature whatsoever, whether asserted or unasserted, absolute or contingent, known or unknown, accrued or unaccrued, liquidated or unliquidated, matured or unmatured, determined or determinable, secured or unsecured, disputed or undisputed, subordinated or unsubordinated, monetary or non-monetary, direct or indirect or otherwise, whether due or to become due, and regardless of when asserted or whether it is accrued or required to be accrued or disclosed pursuant to IFRS.

1.40 "Lien" means any mortgage, deed of trust, pledge, security interest, hypothecation, lien (including environmental and Tax liens), violation, charge, lease, license, encumbrance, servient easement, deed restriction, adverse claim, reversion, reverter, preferential arrangement, restrictive covenant, condition, restriction or charge of any kind (including any conditional sale or title retention agreement or lease in the nature thereof) or any agreement to file any of the foregoing, any sale of receivables with recourse against Company or any of its Affiliates, and any filing or agreement to file any financing statement as debtor under the Uniform Commercial Code or any similar statute.

1.41 "Losses" (collectively) or "Loss" (individually) means any loss (including diminution in value), Liability, demand, claim, action, damage, deficiency, Tax, penalty, fine or expense, whether or not arising out of third party claims (including interest, penalties, reasonable attorneys', accountants' and other professionals' fees and expenses, court costs and all amounts paid in investigation, defense or settlement of any of the foregoing), but Losses shall exclude any special, punitive, consequential or indirect damages (except in the event of fraud or intentional misconduct, in which cases Losses will include all such proven damages).

1.42 "Old AR" means the total amount of all Receivables outstanding for more than ninety (90) days as of the Closing Date.

1.43 "Order" means any order, ruling, decision, verdict, decree, writ, subpoena, mandate, precept, command, directive, consent, approval, award, judgment, injunction, or other similar determination or finding by, before, or under the supervision of any Governmental Authority, arbitrator, or mediator.

1.44 "Ordinary Course of Business" means the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency).

1.45 "Parties" (collectively) or "Party" (individually) shall refer to Company, the Sellers, Founders, Sellers' Agent and/or the Buyer.

- 1.46 “Person” means any individual, partnership, limited liability company, corporation, cooperative, association, joint stock company, trust, joint venture, unincorporated organization, or Governmental Authority, body or entity or any department, agency or political subdivision thereof, or any other type of entity.
- 1.47 “Pre-Closing Tax Period” means all Tax periods ending on or prior to the Closing Date.
- 1.48 “Pro Rata Share” means with respect to any Seller, the percentage obtained by dividing (i) the amount of the Purchase Price paid to such Seller under this Agreement, by (ii) the total Purchase Price paid hereunder, as set forth in the percentages on Exhibit A.
- 1.49 “Property Taxes” means all real property, personal property, sales, use, gross receipts, excise, room, occupancy and similar ad valorem Taxes.
- 1.50 “Purchase Price” means (i) the Base Purchase Price, plus (ii) the Closing Working Capital Adjustment Amount (which may be a positive or negative number), minus (iii) the amount of Closing Date Indebtedness, plus (iv) the total amount of Closing Cash, minus (v) fifty percent (50%) of the Exchange Agent Fees.
- 1.51 “Receivables” means those amounts invoiced by Company and its Subsidiaries that have not been paid.
- 1.52 “Release” means any presence, emission, spill, seepage, leak, escape, leaching, discharge, injection, pumping, pouring, emptying, dumping, disposal, migration, release, or threatened release of Hazardous Materials from any source in, into or upon the environment.
- 1.53 “Series A Preferred Stock Investors” means each of those Sellers indicated as a “Series A Preferred Stock Investor” on Exhibit A.
- 1.54 “Shareholders Agreement” means the Shareholders’ Agreement between Founders and the Buyer attached hereto as Exhibit E.
- 1.55 “Source Code” means all source code (including all copies thereof) for source code of all of Company’s products and services and all other customized software used in the Business.
- 1.56 “Target Closing Working Capital” means \$4,000,000.
- 1.57 “Tax” or “Taxes” means any and all federal, state, local or foreign income, gross receipts, capital gains, franchise, alternative or add-on minimum, estimated, sales, use, goods and services, transfer, registration, value added, excise, natural resources, severance, stamp, occupation, premium, unclaimed property or escheat, windfall profit, environmental, customs, duties, real property, ad valorem, special assessment, personal property, capital stock, social security, unemployment, employment, disability, payroll, license, employee or other withholding, contributions payroll, tax, of any kind whatsoever, whether disputed or not, imposed by any Governmental Authority, including any interest, penalties or additions to Tax or additional

amounts in respect of the foregoing and including any obligations to indemnify or otherwise assume or succeed to the Tax Liability of any other Person.

1.58 "Tax Returns" means returns, declarations, reports, statements, claims for refund, information returns or other documents (including any amendments, related or supporting schedules, statements or other information) filed or required to be filed in connection with the determination, assessment or collection of Taxes of any party or the administration of any Laws, regulations or administrative requirements relating to any Taxes.

1.59 "Transaction Expenses" means, without duplication, the aggregate amount due and payable by Company as of the open of business on the Closing Date for (i) all costs and expenses incurred by Company or by or on behalf of Sellers, Sellers' Agent and Founders (to the extent such amounts are a Liability of Company) of the transactions contemplated by this Agreement, including amounts payable to Silicon Counsel LLP and Edelweiss Financial Services Limited, (ii) any amounts payable to any of the Sellers pursuant to management, general partner or similar fees and (iii) the amount of any unpaid premiums as of the Closing Date for the D&O Tail Policy.

SECTION 2. SALE AND PURCHASE OF STOCK.

2.1 Sale and Purchase of Stock. Subject to the terms and conditions of this Agreement, on the Closing, each of the Sellers set forth on Exhibit A agrees to sell, assign, transfer, convey, and deliver to Buyer, and Buyer agrees to purchase from each Seller, the entire right, title, and interest in and to each of the outstanding Company Shares of such Seller as set forth in Exhibit A, free and clear of any Encumbrance.

2.2 Pay-out Activities on Closing.

(a) No later than five (5) Business Days prior to the anticipated Closing, the Company shall deliver to Buyer the Company's calculation of the Estimated Purchase Price, with specificity and including supporting detail therefor, and including all relevant wire instructions (the "Estimated Closing Statement"). Prior to the Closing, the Company and Buyer shall cooperate in good faith to agree upon the calculation of the Estimated Purchase Price and the other items contained in the Estimated Closing Statement, including providing Buyer and its representatives with reasonable access to the Company's employees, advisors and representatives, and to the Company's books and records. If Buyer and the Company are unable to resolve any potential disputes with respect to the Estimated Closing Statement, such dispute shall not delay the Closing, and the amounts payable at the Closing pursuant to this Agreement shall be as set forth in the Estimated Closing Statement (as modified to reflect any revision mutually agreed to by Buyer and Company). At the Closing, the following shall occur:

- to Section 9;
- (i) \$5,628,000 of cash (such amount, the "Indemnity Holdback Amount") shall be held back by Buyer as security for Sellers' obligations pursuant
 - (ii) \$300,000 of cash (such amount, the "WC Holdback Amount" and collectively with the Indemnity Holdback Amount, the "Holdback

Amount(s)”) shall be held back by Buyer as security for Sellers’ obligations pursuant to Sections 2.4 and 2.5 regarding Closing Working Capital;

(iii) Company shall keep an amount of Closing Cash which shall be equivalent to estimated Closing Date Indebtedness included in the Estimated Closing Statement (which amount of Closing Cash and Closing Date Indebtedness shall include at least Indian Rupees 71,588,000 of Closing Cash representing aggregate bonuses payable to the Founders (less Tax withholdings) by the Company’s Indian Subsidiary on or before March 31, 2018 (the “Founders’ Closing Bonus”). Each item in estimated Closing Date Indebtedness shall be in accordance with the payoff letters, invoices or other documents evidencing such amounts, which shall be delivered to Buyer at least two (2) Business Days prior to the Closing Date;

(iv) Buyer shall wire transfer the Reserve Amount (\$100,000) to an account designated by the Sellers’ Agent; and

(v) Buyer shall pay (or shall cause the HSBC Bank USA, N.A. and its Affiliates, as exchange agent to pay) to the Series A Preferred Stock Investors who hold all of Company Series A Preferred Stock such amounts as set forth on Exhibit A, and to the Former Employees such amounts as set forth on Exhibit A, in cash by wire transfer of immediately available funds, an aggregate amount equal to the Estimated Purchase Price, minus the sum of (A) Holdback Amounts, (B) Reserve Amount, and (C) the excess of Closing Date Indebtedness over Closing Cash (if any excess exists). These amounts are subject to Section 2.6 and the remaining provisions of this Agreement.

(b) As promptly as practical following the Closing Date, but in no event prior to when such payments may otherwise be due and payable to the recipient thereof, Buyer and Founders shall cause Company to make the payments specified under clause (ii) of the definition of “Transaction Expenses”, in each case in accordance with Company’s payroll standard processes and procedures, and to the extent included in the Estimated Purchase Price.

2.3 Certificates. If the payment of the consideration payable in respect of the Company Shares in accordance with Section 2.2 is to be paid to a Person other than the Person in whose name the Certificates surrendered in exchange therefor are registered, it will be a condition of payment that the Certificates so surrendered be properly endorsed and otherwise in proper form for transfer, and that the Persons requesting such payment will have paid to the Buyer or any agent designated by it any transfer or other Taxes required by reason of the payment of such consideration to a Person other than the registered holder of the Certificates surrendered, or established to the satisfaction of the Buyer that such Tax has been paid or is not applicable.

2.4 Determination of Final Purchase Price.

(a) As soon as practicable, but no later than ninety (90) days after the Closing Date, Buyer shall prepare and deliver to Sellers’ Agent, Buyer’s good faith (A) proposed calculation of the Closing Working Capital (and the related Closing Working Capital Adjustment Amount, if any), (B) proposed calculation of the amount of Closing Date Indebtedness, (C) Closing Cash and (D) proposed calculation of the Purchase Price, and, in each case, the components thereof and in a manner consistent with the definitions thereof. The proposed

calculations described in the previous sentence shall collectively be referred to herein from time to time as the "Closing Statement". Buyer agrees to prepare the Closing Statement in a manner consistent with IFRS.

(b) Sellers' Agent shall have thirty (30) days following receipt of the Closing Statement to review such calculations (the "Review Period"). Sellers' Agent may, on or prior to the last day of the Review Period, deliver to Buyer written notice of dispute, which sets forth his good faith objections to Buyer's calculation of the Closing Statement and which sets forth in reasonable detail the basis for such dispute, including Sellers' Agent's calculations of the dollar amounts of any items in dispute (a "Closing Statement Dispute Notice"). Unless Sellers' Agent delivers a Closing Statement Dispute Notice to Buyer on or before the last day of the Review Period in accordance with the above, the Parties agree that the Closing Statement shall be deemed to set forth the final Closing Working Capital (and the related Closing Working Capital Adjustment Amount, if any), Closing Date Indebtedness, Closing Cash and the Purchase Price, in each case, for all purposes hereunder (including the determination of the Adjustment Amount, if any). Prior to the end of the Review Period, Sellers' Agent may accept the Closing Statement by delivering written notice to that effect to Buyer, in which case the Purchase Price and the components thereof will be finally determined (when such notice is given) to be the amounts set forth in the Closing Statement. If Sellers' Agent delivers a Closing Statement Dispute Notice to Buyer on or prior to the last day of the Review Period, Buyer and Sellers' Agent shall use commercially reasonable efforts to resolve any disputes set forth in the Closing Statement Dispute Notice in good faith during the thirty (30)-day period commencing on the date Buyer receives the Closing Statement Dispute Notice from Sellers' Agent. The Parties acknowledge and agree that Rule 408 of the Federal Rules of Evidence shall apply to Buyer and Sellers' Agent and their agents and representatives during such thirty (30)-day period of negotiations and any subsequent dispute arising therefrom. If Sellers' Agent and Buyer do not agree upon a final resolution with respect to any disputed items set forth in the Closing Statement Dispute Notice within such thirty (30)-day period, then the remaining items in dispute shall be submitted promptly by Buyer and Sellers' Agent to an impartial nationally recognized firm of independent certified public accountants other than Company's, Founders, Sellers' Agent's or any Sellers' accountants or advisors or Buyer's accountants or advisors (the "Independent Accountants"). The Independent Accountants shall be requested to render a written determination of the applicable dispute (acting as an expert and not as an arbitrator) within thirty (30) days after referral of the matter to such Independent Accountants, which determination must be in writing and must set forth, in reasonable detail, the basis therefor and must be based solely on (x) the definitions and other applicable provisions of this Agreement, (y) a single presentation (which presentations shall be limited to the remaining items in dispute set forth in the Closing Statement and Closing Statement Dispute Notice) submitted by each of Buyer and Sellers' Agent to the Independent Accountants within fifteen (15) days after the engagement thereof (which the Independent Accountants shall forward to the other Party (Buyer or Sellers' Agent) upon receipt of both such presentations) and (z) one written response submitted to the Independent Accountants within five (5) Business Days after receipt of each such presentation (which the Independent Accountants shall forward to the other Party upon receipt of both such responses), and not on independent review, which such determination shall be conclusive and binding on the Parties. The terms of appointment and engagement of the Independent Accountants shall be as reasonably agreed upon between Sellers' Agent and Buyer. Sellers shall pay a portion of the fees and expenses of the Independent Accountants equal to 100% multiplied by a fraction, the numerator of which is the amount of disputed amounts submitted to

the Independent Accountants that are resolved in favor of Buyer (that being the difference between the Independent Accountants' determination and Sellers' Agent determination) and the denominator of which is the total amount of disputed amounts submitted to the Independent Accountants (that being the sum total by which Buyer's determination and Sellers' determination differ from the determination of the Independent Accountants). Buyer shall pay that portion of the fees and expenses of the Independent Accountants that Sellers are not required to pay hereunder. The Independent Accountants shall resolve each disputed item by choosing a value not in excess of, nor less than, the greatest or lowest value, respectively, set forth in the Closing Statement or Closing Statement Dispute Notice, as applicable, or if such range is narrower with respect to any disputed item, the presentations (and, if applicable, the responses) delivered to the Independent Accountants pursuant to this Section 2.4(b). Such determination of the Independent Accountants shall be conclusive and binding upon the Parties absent fraud or manifest error. The Closing Statement shall be revised as appropriate to reflect the resolution of any objections thereto pursuant to this Section 2.4(b), and, as so revised, such Closing Statement shall be deemed to set forth the final Closing Working Capital, Closing Date Indebtedness, Closing Cash and Purchase Price, in each case, for all purposes hereunder (including the determination of the Adjustment Amount, if any).

(c) Buyer and Sellers agree that the procedures set forth in this Section 2.4 for resolving disputes with respect to the Closing Statement shall be the sole and exclusive method for resolving, and shall be the sole and exclusive remedy with respect to, any such disputes; provided, that this provision shall not prohibit either Party from instituting litigation to enforce any final determination of the Purchase Price by the Independent Accountants pursuant to Section 2.4(b) or to compel any Party to submit any dispute arising in connection with this Section 2.4 to the Independent Accountants pursuant to and in accordance with the terms and conditions set forth in this Section 2.4, in each case, in any court of competent jurisdiction in accordance with Section 10.11. The substance of the Independent Accountants' determination shall not be subject to review or appeal, absent a showing of fraud or manifest error. It is the intent of the Parties to have any final determination of the Purchase Price by the Independent Accountants proceed in an expeditious manner; provided that any deadline or time period contained herein may be extended or modified by the written agreement of the Buyer and Sellers' Agent and the Parties agree that the failure of the Independent Accountants to strictly conform to any deadline or time period contained herein shall not be a basis for seeking to overturn any determination rendered by the Independent Accountants which otherwise conforms to the terms of this Section 2.4.

2.5 Adjustment to Purchase Price.

(a) If the Adjustment Amount is equal to zero or a positive amount, then within five (5) Business Days after the date on which the Purchase Price is finally determined pursuant to Section 2.4, Buyer shall pay to Sellers (based upon their Pro Rata Share) the Adjustment Amount plus the WC Holdback Amount in cash by wire transfer of immediately available funds.

(b) If the Adjustment Amount is a negative amount and the absolute value of such Adjustment Amount is less than the WC Holdback Amount, then within five (5) Business Days after the date on which the Purchase Price is finally determined pursuant to Section 2.4, Buyer shall pay to Sellers (based upon their Pro Rata Share) the Adjustment Amount (which shall

be a negative number) plus the WC Holdback Amount in cash by wire transfer of immediately available funds.

(c) If the Adjustment Amount is a negative amount and the absolute value of such Adjustment Amount is equal to or higher than the WC Holdback Amount, then within five (5) Business Days after the date on which the Purchase Price is finally determined pursuant to Section 2.4, Buyer shall retain the entire WC Holdback Amount and additional funds (the difference of the absolute value of the Adjustment Amount and WC Holdback Amount) from the Indemnity Holdback Amount. Only after the funds of the Indemnity Holdback Amount are exhausted, then Sellers shall pay such excess amount to Buyer in cash by wire transfer of immediately available funds.

(d) Any amounts which become payable pursuant to this Section 2.5 will constitute an adjustment to the Purchase Price for all purposes hereunder.

2.6 Right to Withhold. Buyer and Company (as appropriate) shall be entitled to deduct and withhold from consideration otherwise payable pursuant to this Agreement to the Sellers such amounts as are required to be deducted and withheld with respect to the making of such payment under the Code, or any provision of state, local or foreign Tax Law (including but not limited to the Indian Income Tax Act, 1961). In this regard, Buyer shall withhold Taxes for one of the Sellers as described on Exhibit K. Company shall list on Exhibit K all non-U.S. Persons for whom withholding is required under applicable Laws relating to the transactions under this Agreement. To the extent that amounts are so withheld, (i) such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the Sellers in respect of which such deduction and withholding was made, and (ii) the Buyer or Company, as applicable, shall provide to the Sellers written notice of the amounts so deducted or withheld.

SECTION 3. CLOSING DELIVERIES.

3.1 Sellers Closing Deliveries. At the Closing, Company, Founders and Sellers shall deliver or cause to be delivered to Buyer:

(a) counterparts of this Agreement and each Ancillary Agreement to which Company, any Seller, Sellers' Agent or any Founder is a party, duly executed by Company, Sellers, Sellers' Agent and Founders, as applicable;

(b) each Seller shall surrender stock certificate or stock certificates ("Certificates") representing the Company Shares owned by such Seller as indicated on Exhibit A, deliver an executed stock power in the form attached hereto as Exhibit F ("Stock Power"), and deliver an executed letter of transmittal in the form attached hereto as Exhibit G ("Letter of Transmittal");

(c) copies of the consent or waiver of the counterparty of each of the Company Contracts set forth on Schedule 3.1(c);

(d) evidence of the termination of each of the Contracts set forth on Schedule 3.1(d);

(e) evidence of (i) the termination of the Company Stock Option Plans without further Liability to Company and, pursuant to, and in accordance with, the terms of the Company Stock Option Plans, (ii) the termination of all outstanding options, and (iii) the payment, in cash, an amount equal to the Spread, as such term is defined in the 2012 Stock Plan, to each holder of a terminated option, in each case, such that Company shall have no further Liabilities (A) to any of the holders of the outstanding options and in form reasonably acceptable to Buyer or (B) under the Company Stock Option Plans;

(f) the Shareholders Agreement, duly executed by Company and Founders;

(g) a copy of the resolutions of Company's boards of directors and shareholders authorizing the execution, delivery and performance of this Agreement and the Ancillary Agreements and approving the consummation of the transactions contemplated hereby and thereby, in each case, certified by a Secretary of Company;

(h) certificates of the Secretary of State of the jurisdiction in which Company is incorporated or organized and the jurisdiction in which Company is qualified to do business stating that Company is in good standing;

(i) the employment agreements with Founders in the form as mutually agreed by the parties thereto (the "Founder Employment Agreements"), duly executed by Company;

(j) a certificate duly completed and executed, dated as of the Closing Date and prepared in accordance with the requirements of U.S. Treasury Regulation sections 1.897-2(h) and 1.1445-2(c)(3), sufficient to establish that an interest in Company held by a foreign person does not constitute a U.S. real property interest for purposes of Sections 897 and 1445 of the Code;

(k) a copy of the duly executed legal opinion of Silicon Counsel LLP (the "Legal Opinion") in the form attached hereto as Exhibit I-1 and the legal opinion of Legal Orbit in the form attached hereto as Exhibit I-2;

(l) evidence of the release of all Liens related to Indebtedness;

(m) evidence that the D&O Tail Policy is in effect and all premiums for the duration of the coverage have been paid;

(n) resignations of each of the directors of Company (except for Kaushal Mehta) in the form attached hereto as Exhibit J, along with duly executed prescribed forms DIR-12 and DIR-11;

(o) a certificate, dated as of the Closing Date, in form and substance reasonably satisfactory to Buyer, of the Secretary of Company certifying (i) that attached thereto is a complete and correct copy of the articles of incorporation of Company, as amended to date, (ii) that attached thereto is a complete and correct copy of the Bylaws of Company, as amended to date, (iii) that attached thereto is a complete and correct copy of resolutions adopted by the

board of directors and shareholders of Company, authorizing the execution, delivery and performance of this Agreement and all other agreements executed in connection herewith by Company, and that such resolutions, approvals and consents have not been amended or modified in any respect and remain in full force and effect as of the date thereof, and (iv) that the persons named therein are duly elected, qualified and acting officers of Company and that set forth therein is a genuine signature or true facsimile thereof for each such officer; and

(p) a certificate, dated as of the Closing Date, in form and substance reasonably satisfactory to Buyer, of the President or Chief Executive Officer of Company certifying that all of the conditions, covenants and agreements to be performed by Company on or prior to Closing have been satisfied and that the Company's representations and warranties are true and correct in all respects as of Closing.

3.2 Buyer Closing Deliveries. At the Closing, Buyer shall deliver or cause to be delivered to the Company:

- (a) counterparts of this Agreement and each Ancillary Agreement to which Buyer is a party, executed by Buyer;
- (b) the Shareholders Agreement, duly executed by Buyer; and

(c) a copy of the resolutions of Buyer's board of directors authorizing the execution, delivery and performance of this Agreement and the Ancillary Agreements and approving the consummation of the transactions contemplated hereby and thereby, certified by the Secretary of Buyer.

SECTION 4. CLOSING.

4.1 Closing Procedure. The closing of the transactions contemplated by this Section 4.1 (the "Closing") shall take place at the offices of Silicon Counsel LLP, 228 Hamilton Avenue, 3rd Floor, Palo Alto, California 94301, at 10:00 a.m. (Pacific Time), or on a date and time to be designated by Buyer and Company, which shall in no event be later than the second Business Day following the satisfaction or, to the extent permitted by applicable Law, waiver of all conditions to the obligations of the parties set forth herein other than such conditions as may, by their terms, only be satisfied at the Closing or on the Closing Date. The date on which the Closing actually takes place is referred to in this Agreement as the "Closing Date."

SECTION 5. COVENANTS.

5.1 Confidentiality. The Sellers agree to, and shall cause their respective agents, representatives, Affiliates, employees, officers and directors to, treat and hold as confidential all trade secrets, processes, patent applications, product development, price, customer and supplier lists, pricing and marketing plans, policies and strategies, details of client and consultant Contracts, operations methods, product development techniques, business acquisition plans, new personnel acquisition plans and all other confidential or proprietary documents and information relating to the business and affairs of Company and related to the Business, including any notes, analyses, compilations, studies, forecasts, interpretations or other documents that are derived from, contain, reflect or are based upon any such information (collectively, the "Confidential Information") and

refrain from using any Confidential Information except in connection with this Agreement, and deliver promptly to Buyer, at Buyer's request, all Confidential Information (and all copies thereof in whatever form or medium) in its possession or under its control. Notwithstanding the foregoing, Confidential Information shall not include information that, at the time of disclosure, is available publicly and was not disclosed in breach of this Agreement. In the event that any Seller or any of their respective agents, representatives, Affiliates, employees, officers or directors becomes legally compelled to disclose any Confidential Information, such Person shall provide Buyer with prompt written notice of such requirement so that Buyer may seek a protective Order or other remedy or waive compliance with the provisions of this Section 5.1. In the event that a protective Order or other remedy is not obtained or if Buyer waives compliance with this Section 5.1, such Person shall furnish only that portion of such Confidential Information that is legally required to be provided and exercise its reasonable best efforts to obtain assurances that confidential treatment will be accorded such information.

5.2 Further Assurance. Company, Sellers, Sellers' Agent, Founders and Buyer covenant and agree to use their respective reasonable best efforts to effectuate the transactions contemplated by this Agreement and to do all acts and things as may be required to carry out their obligations hereunder and to consummate this Agreement, including executing, sealing and delivering all such other instruments and other documents, and to assist Buyer in exercising all rights with respect thereto and to carry out the purpose and intent of this Agreement.

5.3 Seller and Founder Release.

(a) Each of the Founders and Sellers, on behalf of themselves and their respective predecessors, successors, assigns, heirs, executors, legatees, administrators, beneficiaries, owners, representatives and agents (the "Releasing Parties"), upon the Closing, shall be deemed to have, and hereby does, unconditionally release and forever discharge Company, its subsidiaries and parent entities, including their respective officers, directors, employees, shareholders, successors, assigns, agents, advisors, representatives and Affiliates (the "Released Parties"), from (i) any and all obligations or duties the Released Parties might have to the Releasing Parties, (ii) any and all claims of Liability, whether legal or equitable, of every kind and nature, which the Releasing Parties ever had, now have or may claim against the Released Parties, in each case, in connection with this Agreement or the transactions contemplated hereby, (iii) any and all claims of Liability, whether legal or equitable, of every kind and nature, which the Releasing Parties ever had, now have or may claim against the Released Parties, in each case arising out of facts or circumstances occurring at any time on or prior to the Closing Date; provided, however, that such release shall exclude those Liabilities of Company arising out of this Agreement and the Ancillary Agreements and shall exclude, to the extent the Seller is an employee, independent contractor, officer or director of Company, (i) earned compensation not yet paid, (ii) reimbursement for expenses incurred by the Seller in the ordinary course of his or her employment which are reimbursable under Company's expense reimbursement policies, (iii) accrued benefits, including vacation, subject to Company's policies on accrual and carry forward and (iv) any rights that the Releasing Parties may have to be indemnified by any Released Parties under the terms of the articles of incorporation or bylaws of the Company or pursuant to any indemnification agreement between the Releasing Parties and the Company, which rights to indemnification shall be satisfied solely from the D&O Tail Policy and amounts paid by Sellers for claims under Section 9.2(b)(v).

(b) Apart from the Liabilities above expressly excepted from the foregoing release, the released claims include all other Liabilities even if the Liabilities and their existence are unknown or not suspected, and even if knowledge of those Liabilities would have affected the acceptance of the foregoing release. For purposes of this Section 5.3, each Seller hereby expressly waives and releases any and all rights and/or benefits under California Civil Code Section 1542 and any other analogous provision of applicable Law of any jurisdiction. Section 1542 states:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS/HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN TO HIM/HER MUST HAVE MATERIALLY AFFECTED HIS/HER SETTLEMENT WITH THE DEBTOR.”

5.4 Tax Matters.

(a) Cooperation. Company, Founders and the Sellers' Agent shall cooperate fully, as and to the extent reasonably requested by the other party, in connection with the filing of Tax Returns and any audit, litigation or other proceeding with respect to Taxes. Such cooperation shall include the retention and (upon the other party's request) the provision of records and information that are reasonably relevant to any such audit, litigation or other proceeding and the making available of employees on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. Without limiting the foregoing, Buyer will cooperate with the Sellers' Agent to enable the Sellers' Agent to utilize Company's existing Tax Return preparation firm(s) (the "Independent Tax Accountants"). Such cooperation may include providing access to books and records and accounting staff, and delegating authority to the Sellers' Agent under the Independent Tax Accountants' engagement agreement sufficient for the Independent Tax Accountants to take direction from the Sellers' Agent, or otherwise ensuring that the Sellers' Agent will have access to (and the ability to direct, even if indirectly through Company) the Independent Tax Accountants.

(b) Transfer Taxes. All stock transfer, real estate transfer, documentary, stamp, recording and other similar Taxes (including interest, penalties and additions to any such Taxes) ("Transfer Taxes"), applicable to, or resulting from, the transactions contemplated by this Agreement shall be borne one hundred percent (100%) by the Sellers. Unless otherwise required by Law, Buyer shall be responsible for preparing and timely filing any Tax Returns required with respect to any such Transfer Taxes. If required by applicable Tax Law, the Sellers will join in the execution of any such Tax Return.

(c) Tax Returns. Company shall prepare, or cause to be prepared, all Tax Returns (including such Tax Returns prepared pursuant to any valid extension of time to file and any amendments thereto) required to be filed by Company with respect to any Pre-Closing Tax Period ("Pre-Closing Period Tax Returns"). To the extent such Pre-Closing Period Tax Returns are prepared after the Closing Date, the Sellers shall be liable for seventy percent (70%) of all Taxes owed with respect to such Pre-Closing Period Tax Returns (and seventy percent (70%) of any other Taxes attributable to a Pre-Closing Tax Period). Such Pre-Closing Period Tax Returns shall be prepared on a basis consistent with the Tax Returns previously filed by Company, unless otherwise required by applicable Tax Law. To the extent such Pre-Closing Period Tax

Returns are prepared before the Closing Date, Company shall provide a copy of each such Pre-Closing Period Tax Return to Buyer for Buyer's review at least fifteen (15) days before such Tax Return is filed and shall consider in good faith any comments provided by Buyer. The Sellers' Agent, on behalf of the Sellers, shall pay to Buyer or the relevant member of Company any Taxes for which the Sellers are responsible pursuant to this Section 5.4 at least ten (10) days before Company or Buyer is required to cause to be paid the related Tax Liability. Company shall prepare and file all Tax Returns required to be filed by Company for all taxable periods beginning on or after the Closing Date ("Post-Closing Period Tax Returns"), and Company shall pay, or cause to be paid, all Taxes with respect to such Post-Closing Period Tax Returns.

(d) Straddle Period Tax Returns. Company shall prepare and file, or cause to be prepared and filed, any Tax Returns required to be filed by Company for any taxable periods which include (but do not end on) the Closing Date ("Straddle Periods") (such Tax Returns, "Straddle Period Tax Returns"), and Company shall pay, or cause to be paid, all Taxes with respect to such Straddle Period Tax Returns, subject to the Sellers' responsibility to pay seventy percent (70%) of the Taxes of such Straddle Period attributable to the portion of the Straddle Period ending on the Closing Date ("Pre-Closing Taxes") as determined in accordance with Section 5.4(b). Such Straddle Period Tax Returns shall be prepared on a basis consistent with the Tax Returns previously filed by Company, unless otherwise required by applicable Tax Law or agreed to by Buyer and Sellers' Agent. Buyer shall provide a copy of each Straddle Period Tax Return and a statement certifying the amount of Pre-Closing Taxes shown on such Straddle Period Tax Return, if any, that are chargeable to the Sellers, to the Sellers' Agent for review and comment at least fifteen (15) days before such Straddle Period Tax Return is filed and shall consider in good faith any comments provided by the Sellers' Agent. The Sellers' Agent, on behalf of the Sellers, shall pay to Buyer or the relevant member of Company any Pre-Closing Taxes for which the Sellers are responsible pursuant to Section 5.4(d) at least ten (10) days before Company or Buyer is required to cause to be paid the related Tax Liability.

(e) Calculation of Taxes for Straddle Period Tax Returns. Pre-Closing Taxes for Straddle Period Tax Returns shall be calculated as though the taxable period of Company terminated as of the Closing Date; provided, however, that any real, personal and intangible property Taxes and any other Taxes levied on an annual or other periodic basis of Company or any of its Subsidiaries for a Straddle Period shall be allocated on a per diem basis based on the number of days during the Straddle Period ending with and including the Closing Date and number of days during the Straddle Period commencing on the day after the Closing Date. All Straddle Period Tax Returns shall be prepared, and all determinations necessary to give effect to the foregoing allocations shall be made, in a manner consistent with the prior practice of Company.

(f) Pre-Closing Compliance. Prior to Closing, the Company shall cause the Subsidiaries (including Motif India Infotech Private Limited) to undertake all necessary compliances, as prescribed and applicable under any Tax Law, relating to the transactions hereunder.

5.5 Termination of Agreements and Plans. The Parties agree that effective as of the Closing, each of the following agreements, plans and other matters shall automatically terminate and be of no further force and effect (and for purposes of clarity, Founders, Sellers and

the Company shall cause such agreements, plans and other matters to terminate and be of no further force and effect as of Closing):

- (a) Voting Agreement dated August 25, 2000, as amended to date.
- (b) Investors' Rights Agreement dated August 25, 2000, as amended to date.
- (c) 2012 Stock Plan and all stock option grant letters, all option agreements and other agreements relating to the 2012 Stock Plan.
- (d) Motif, Inc. 2002 Equity Incentive Plan and all stock option grant letters, all option agreements and other agreements relating to the 2012 Stock Plan.
- (e) Series A Preferred Stock Purchase Agreement, dated on or about August 25, 2000, by and among Motif, Inc., the Investors listed on Schedule A thereto, Kaushal Mehta and Parul Mehta.
- (f) Co-Sale Agreement dated August 25, 2000, as amended to date.

5.6 Limitation of Liability and Indemnification. Buyer shall cause Company not to amend its articles of incorporation or bylaws until the sixth (6th) anniversary of the Closing Date to the extent such amendments change the limitation of liability and indemnification (including the advancement of expenses) provisions relating to the Company's current or former directors and officers with respect to actions taken prior to the Closing.

5.7 Transfer of Shares in Motif India Infotech Private Limited. Promptly following the Closing, Founders shall transfer all of Founders' nominal shares in Motif India Infotech Private Limited to an entity that is designated by Buyer, with the result being that Motif India Infotech Private Limited is wholly-owned by the Company and such designated entity, with the understanding that approvals of Governmental Authorities must first be obtained to effect such transfer.

5.8 Repayment of Employee Loans. Prior to the Closing, the Company shall ensure that all loans from the Philippine branch of the Company's Subsidiary to grantees or other participants ("Plan Participants") under the Company Stock Option Plans shall be repaid in full (including all loans from Plan Participants listed on Schedule 5.8) except for the \$600 of loans listed on Schedule 5.8.

SECTION 6. REPRESENTATIONS AND WARRANTIES OF SELLERS AND FOUNDERS.

Each Seller and Founder, severally and not jointly, hereby represents and warrants to Buyer with respect to it as follows (provided that the Founders are not making the representations and warranties under Section 6.4 (Title) below):

6.1 Organization. If Seller is an entity, such Seller is duly organized, validly existing and in good standing under the Laws of its organization and has all requisite power and

authority to carry on its business as now being conducted, except where the failure to have such power or authority would not prevent or materially delay the consummation of the transactions contemplated hereby. If Seller is a natural person and for each Founder, Seller or Founder has all requisite power and authority to carry on its business as now being conducted, except where the failure to have such power or authority would not prevent or materially delay the consummation of the transactions contemplated hereby.

6.2 Authorization. If Seller is an entity, such Seller has the requisite power and authority to execute and deliver this Agreement and each Ancillary Agreement to which such Seller is a party and to consummate the transactions contemplated hereby and thereby. If Seller is a natural person and for each Founder, such Seller or Founder has the requisite capacity and authority to execute and deliver this Agreement and each Ancillary Agreement to which such Seller or Founder is a party and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and each Ancillary Agreement to which such Seller or Founder is a party and the consummation of the transactions contemplated thereby have been duly authorized by all necessary action on the part of such Seller or Founder. This Agreement and the Ancillary Agreements to which the Seller or Founder is a party, constitute valid and legally binding obligations of the Seller or Founder, enforceable against such Person in accordance with their terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and any other Laws of general application affecting enforcement of creditors' rights generally, and as limited by Laws relating to the availability of specific performance, injunctive relief, or other equitable remedies. If Seller is a natural person, (a) Seller either has no spouse, or, (b) if married, Seller's spouse has signed a counterpart signature page to this Agreement.

6.3 Consents and Approvals; No Violations. No notice to, filing with, or authorization, consent or approval of any Governmental Authority or any other Person is necessary for the execution, delivery or performance of this Agreement and the Ancillary Agreements by such Seller or Founder or the consummation by such Seller or Founder of the transactions contemplated hereby or thereby. Neither the execution, delivery and performance of this Agreement and of each Ancillary Agreement to which such Person is a party nor the consummation by such Seller or Founder of the transactions contemplated hereby and thereby will (a) except if such Seller or Founder is a natural person, conflict with or result in any breach of any provision of such Seller's or Founder's organizational documents, (b) result in a violation or breach of, or cause acceleration, or constitute (with or without due notice or lapse of time or both) a default (or give rise to any right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any Contract or Permit to which such Seller or Founder is a party or (c) violate any Order or Law of any Governmental Authority having jurisdiction over such Seller or Founder, which in the case of any of clauses (b) and (c) above, would not impair such Seller's or Founder's ownership of the Company Shares, or otherwise prevent or materially delay the Closing or the transactions contemplated hereunder.

6.4 Title. The Seller is the sole record and beneficial owner of its respective Company Shares as set forth on Exhibit A and has good and marketable title, free and clear of all Liens, pledges, security interests, preemptive rights or similar rights, claims, restrictions on transfer, Taxes, purchase rights, Contracts, commitments, equities, claims, restrictions, demands, options, warrants, or other encumbrances ("Encumbrance") and has the right to exercise all voting

and other rights with respect to such shares or equity interest, and all such shares and equity interest are duly authorized, validly issued, fully paid, and nonassessable. Following the Closing, no Seller will own any Company Stock.

6.5 Litigation. There is no Proceeding pending or, to such Seller's Knowledge, threatened against such Seller before any Governmental Authority which would impair such Seller's ownership of the applicable Company Shares or otherwise prevent or delay the Closing. Such Seller is not subject to any outstanding Order that would impair such Seller's ownership of the applicable Company Shares or otherwise prevent or delay the Closing.

6.6 Counsel and Review. Such Seller has been furnished with, and has carefully read, this Agreement (including all schedules and exhibits hereto) and the Ancillary Agreements and has been given the opportunity to hire legal, Tax, accounting and financial advisers as it deemed suitable and to ask questions of, and receive answers from, the other Sellers, Founders and Company concerning the terms and conditions of the transactions contemplated hereby and thereby and has received complete and satisfactory answers to any such questions. Such Seller has carefully considered and has, to the extent it believes such discussion necessary, discussed with legal, Tax, accounting and financial advisers the suitability of a transaction of the type contemplated by this Agreement and the Ancillary Agreements in light of such Seller's particular Tax and financial situation.

SECTION 7. REPRESENTATIONS AND WARRANTIES OF COMPANY.

Subject to such exceptions as are set forth in the Disclosure Schedule, Company hereby represents and warrants to Buyer with respect to Company and its Subsidiaries (and references to Company in this Section 7 shall refer to Company and its Subsidiaries, except for those in Sections 7.1 and 7.4):

7.1 Organization and Corporate Power. Company is a corporation duly organized, validly existing and in good standing under the Laws of the state of California. Company is qualified to do business in every jurisdiction in which such qualification is necessary, except where the failure to so qualify has not had or could not reasonably be expected to have a Company Material Adverse Effect. All jurisdictions in which Company is qualified to do business are set forth on Schedule 7.1. Company has full organizational power and authority to own and/or operate, as applicable, its respective properties and to carry on its respective business as now conducted. Company has delivered to Buyer correct and complete copies of its articles of incorporation and bylaws (as amended to date). The minute books (containing the records of meetings of the shareholders, the board of directors and any committees of the board of directors) and the shareholder record books for Company are correct and contain copies of all organizational documents and actions taken by such entity's board of directors and shareholders. Company is not in default under or in violation of any provision of its articles of incorporation, as amended.

7.2 Authorization of Transactions.

(a) Company has full corporate power and authority to execute and deliver this Agreement and each of the Ancillary Agreements to which it is a party and to consummate the transactions contemplated hereunder and thereunder and to perform its

obligations hereunder and thereunder. The board of directors and stockholders of Company have duly approved this Agreement and all Ancillary Agreements to which Company is a party and have duly authorized the execution and delivery of this Agreement and all Ancillary Agreements to which Company is a party and the consummation of the transactions contemplated hereby and thereby. No other Proceedings on the part of Company are necessary to approve and authorize the execution and delivery of this Agreement or the Ancillary Agreements to which Company is a party and the consummation of the transactions contemplated hereby and thereby. This Agreement and the Ancillary Agreements to which Company is a party have been duly executed and delivered by Company, and this Agreement and the Ancillary Agreements constitute valid and binding obligations of Company, enforceable against Company in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and similar Laws of general applicability relating to or affecting creditors' rights and to general principles of equity.

(b) Company is not subject to or a party to any charter, by-law, mortgage, Lien, lease, permit, agreement, Contract, instrument, law, rule, ordinance, regulation, Order, judgment or decree, or any other restriction of any kind or character, which could prevent consummation of the transactions contemplated by this Agreement. Except as set forth on Schedule 7.2(b), the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not (i) violate, conflict with or result in the breach of any provision of the charter documents or by-laws of Company or any Affiliate; (ii) violate any Order, writ, judgment, injunction, award or decree of any court, arbitrator or Governmental Authority against, or binding upon, Company or the Company Shares; (iii) result in a violation by Company of any Law, or (iv) violate, conflict with or result in the breach of any term, condition or provision of, or constitute a default or accelerate the performance under, or, except as disclosed in the Disclosure Schedule, require the consent of any other party to, any mortgage, indenture, agreement, Contract, commitment, lease, plan, license, permit, authorization or other instrument, document or understanding, oral or written, to which Company is a party or by which Company is otherwise bound.

7.3 Non-Contravention. Except as set forth on Schedule 7.3, transactions contemplated under this Agreement and the Ancillary Agreements and all agreements, documents and instruments executed and delivered by any Seller, Founder or Company pursuant hereto and the performance of the transactions contemplated by this Agreement, the Ancillary Agreements and such other agreements, documents and instruments contemplated herein and thereby do not and will not: (i) violate or result in a violation of, conflict with or constitute or result in a default (whether after the giving of notice, lapse of time or both) under, accelerate any obligation under, or give rise to a right of termination of, any Permit or Contract to which Company is a party or by which any of them or their respective assets are bound, (ii) violate or result in a violation of, conflict with or constitute or result in a default (whether after the giving of notice, lapse of time or both) under, or accelerate any obligation under, any provision of Company's organizational documents; (iii) violate or result in a violation of, or constitute a default (whether after the giving of notice, lapse of time or both) under, any provision of any law, regulation or rule, or any Order of, or any restriction imposed by, any court or governmental agency applicable to Company; or (iv) require from Company any notice to, declaration or filing with, or consent or approval of, any Governmental Authority or other third party.

7.4 Capitalization; Subsidiaries.

(a) As of the Closing Date, the outstanding capital stock of Company consists of: (i) 3,334,916 shares of Common Stock, no par value (the “Company Common Stock”); and (ii) 5,500,000 shares of Series A Preferred Stock, no par value (the “Company Series A Preferred Stock” and collectively with the Company Common Stock, the “Company Stock”).

(b) None of the outstanding shares of Company Stock are subject to, nor were they issued in violation of, any purchase option, call option, right of first refusal, first offer, co-sale or participation, preemptive right, subscription right or any similar right. Except for shares disclosed in Schedule 7.4(b) no shares of voting or non-voting capital stock, other equity interests or other voting securities of Company are issued, reserved for issuance or outstanding. All outstanding shares of Company Stock are validly issued, fully paid and nonassessable. There are no bonds, debentures, notes, other Indebtedness or any other securities of Company with voting rights on any matters on which stockholders may vote.

(c) Except as described in Sections 7.4(a) and (b) or as set forth on Schedule 7.4(c), there are no outstanding securities, options, warrants, calls, rights, convertible or exchangeable securities or Contracts or obligations of any kind (contingent or otherwise) to which Company is a party or by which it is bound obligating Company, directly or indirectly, to issue, deliver or sell, or cause to be issued, delivered or sold, additional shares of capital stock or other voting securities of Company or obligating Company to issue, grant, extend or enter into any such security, option, warrant, call, right, Contract or obligation. Except as set forth in Company’s certificate of incorporation, as amended, there are no outstanding obligations of Company (contingent or otherwise) to repurchase, redeem or otherwise acquire, directly or indirectly, any shares of capital stock (or options or warrants to acquire any such shares) of Company. There are no stock-appreciation rights, stock-based performance units, “phantom” stock rights or other Contracts or obligations of any character (contingent or otherwise) pursuant to which any Person is or may be entitled to receive any payment or other value based on the revenues, earnings or financial performance, stock price performance or other attribute of Company or its business or assets or calculated in accordance therewith (other than payments or commissions to sales representatives of Company based upon revenues generated by them without augmentation as a result of the transactions contemplated hereby, in each case in the Ordinary Course of Business consistent with past practice) to cause Company to register its securities or which otherwise relate to the registration of any securities of Company. There are no voting trusts, proxies or other Contracts of any character to which Company is a party or by it is bound with respect to the issuance, holding, acquisition, voting or disposition of any shares of capital stock or similar interests of Company.

(d) Company does not control, directly or indirectly, any other corporation, or any limited liability company, partnership, joint venture, association or any other business entity, and Company does not own any shares of capital stock or any other securities of, and has not at any time made any other material investment in, any other Person, in each case other than as set forth on Schedule 7.4(d) (each, a “Subsidiary” and collectively, the “Subsidiaries”). Neither Company nor its Subsidiaries has agreed, is obligated to make, or is bound by any Contract under which it may become obligated to make, any material future investment in or material capital contribution to any other Person. Each Subsidiary of Company is a corporation or other business entity duly incorporated or organized (as applicable), validly existing and, where applicable, in good standing under the Laws of its jurisdiction of

incorporation or organization and has all corporate or other organizational powers required to carry on its business as now conducted. Each such Subsidiary is duly qualified to do business as a foreign entity and is in good standing in each jurisdiction where such qualification is necessary, except where the failure to so qualify has not had or could not reasonably be expected to have a Company Material Adverse Effect. All of the outstanding capital stock or other voting securities of, or ownership interests in, each Subsidiary of Company are duly authorized, validly issued, fully paid and, where applicable, nonassessable and owned directly or indirectly by Company, free and clear of any Liens. All statutory filings and reporting with respect to the allotment and transfer of the aforementioned securities have been duly made with the applicable Governmental Body (including but not limited to the Reserve Bank of India and Register of Companies) in accordance with applicable Laws.

(e) The minute books (containing the records of meetings of the shareholders, the board of directors and any committees of the board of directors) and the shareholder record books for Motif Infotech India Private Limited are complete, true and correct and contain copies of all organizational documents and actions taken by such entity's board of directors and shareholders.

(f) Immediately following the Closing hereunder, other than Founders and Buyer, no Person will have, own or hold any shares of capital stock of Company or any of its Subsidiaries (other than Company) or any other security or any right to acquire any other security of Company or any of its Subsidiaries.

7.5 Financial Statements.

(a) The books of account and related records of Company are correct and complete in all material respects and fairly reflect its assets, Liabilities and transactions in accordance with IFRS, except for adjusting entries which are customarily made in accordance with the preparation of interim financial statements and the absence of footnotes. Company has delivered to Buyer as set forth on Schedule 7.5 true and complete copies of the audited consolidated financial statements for Fiscal Year ending at March 31, 2017 (including in all cases the notes thereto, if any) (the "Audited Financial Statements") and (ii) the unaudited consolidated balance sheet of Company as of September 30, 2017 (the "Interim Balance Sheet") and the related unaudited consolidated statements of income and cash flows for the six-month period then ended (the "Interim Financial Statements" and together with the Audited Financial Statements, the "Financial Statements"). The Financial Statements (x) have been prepared from the books and records of Company in accordance with IFRS applied on a consistent basis throughout the periods covered thereby, except as expressly stated in the notes thereto and except, in the case of Interim Financial Statements, for the absence of footnotes and subject to year-end adjustments (none of which year-end adjustments relating to the six months ending September 30, 2017, individually or in the aggregate would be material to the Company, except as disclosed on Schedule 7.5(x)), and (y) are complete and correct and fairly present, in all material respects, the consolidated financial position of Company as of the dates thereof and its consolidated results of operations and cash flows for the periods then ended.

7.6 Absence of Undisclosed Liabilities. Company does not have any Liability, except for (i) Liabilities reflected in the Interim Balance Sheet, (ii) Liabilities which have arisen

after September 30, 2017 in the Ordinary Course of Business which are consistent as to type and amounts with past practice of Company, none of which results from, arises out of or was caused by any breach of Contract, breach of warranty, tort, violation of Law or, to the Company's Knowledge, infringement of intellectual property, and (iii) Liabilities disclosed on Schedule 7.6. There are no Capitalized Leases, except as set forth on Schedule 7.6.

7.7 Accounts Receivable; Accounts Payable.

(a) All of the accounts receivable of Company arose in the Ordinary Course of Business, are valid and enforceable claims, are subject to no set-off or counterclaim, and are fully collectible in the Ordinary Course of Business. Except as set forth on Schedule 7.7, Company does not have any accounts receivable or loans receivable from any Person who is an Insider. No amount of such accounts receivable is contingent upon the future performance by Company of any obligation under any Contract.

(b) All accounts payable and notes payable of Company arose in bona fide arm's length transactions in the Ordinary Course of Business and no such account payable or note payable is delinquent in its payment, nor payable to an Insider.

7.8 Customers. Schedule 7.8 sets forth the name of each of the customers of Company, by revenue for the fiscal year ending March 31, 2017, including the six customers that generated the greatest revenue for the fiscal year ending March 31, 2017 (the "Six Largest Customers"). None of the Six Largest Customers has canceled or otherwise terminated its relationship with Company or has materially decreased its usage or purchase of the services or products of Company. None of the Six Largest Customers has, to the Knowledge of Company, any plan or intention to terminate, cancel or otherwise materially and adversely modify its relationship with Company or to decrease materially or limit its usage, purchase or distribution of the services or products of Company. None of the Six Largest Customers has asserted any breach of any Contract or failure to deliver upon any of Company's obligations or promises; provided for purposes of clarity, that the Company's breach ("SLA Breaches") of service-level agreements ("SLAs") with the Six Largest Customers shall not constitute a breach of such Contract if both (a) the Company (i) offset the penalties under the SLAs for failure to perform in accordance with the applicable SLAs against service fees otherwise payable thereunder or (ii) paid the SLA penalty, and (b) the SLA Breaches and/or penalties in the aggregate do not constitute a Material Adverse Effect.

7.9 Absence of Changes. Except as set forth on Schedule 7.9, since April 1, 2017, Company has conducted its business only in the Ordinary Course of Business. As amplification but not limitation of the foregoing, since April 1, 2017, Company has not:

(a) suffered a Company Material Adverse Effect or suffered any theft, damage, destruction or casualty Loss in excess of \$250,000 in the aggregate to its assets, whether or not covered by insurance;

(b) redeemed or repurchased, directly or indirectly, or declared, set aside or paid any dividends on (other than dividends paid to Company) or made any other distributions (whether in cash or in kind) with respect to, any shares of its equity securities;

(c) issued, sold or transferred any notes, bonds or other debt securities, any equity securities, or any securities convertible, exchangeable or exercisable into, directly or indirectly, any of its equity securities;

(d) borrowed any amount or incurred or become subject to any Indebtedness (including contingently as a guarantor or otherwise) or other Liabilities, except current liabilities incurred in the Ordinary Course of Business and not constituting Indebtedness;

(e) discharged or satisfied any Lien or paid any Liability related to Company (other than Liabilities paid in the Ordinary Course of Business), or prepaid any amount of Indebtedness or subjected any portion of its properties or assets to any Lien or other Encumbrance (other than Liens that will be released at or prior to the Closing);

(f) sold, leased, subleased, licensed, assigned, transferred or otherwise disposed of any of its tangible or intangible assets (including Intellectual Property Contracts) in excess of \$50,000 individually (except for non-exclusive licenses granted in the Ordinary Course of Business to unaffiliated third Persons on an arm's length basis);

(g) waived, canceled, compromised or released any rights or claims of material value, whether or not in the Ordinary Course of Business;

(h) entered into any material Contract or amended or terminated Company's rights thereunder, or entered into any other material transaction;

(i) made, granted or promised any bonus or any wage, salary or compensation increase in excess of \$75,000 per year to, or made any other change in employment terms for, any director, officer, employee, sales representative or consultant (in each case, other than normal merit increases to employees made in the Ordinary Course of Business), granted or promised any increase in any employee benefit plan or arrangement, amended or terminated any existing employee benefit plan or arrangement (other than an amendment required by Law), or adopted any new employee benefit plan or arrangement;

(j) made any material change in its business practices, including, without limitation, any change in accounting methods or practices or collection, credit, pricing or payment policies of Company;

(k) made any capital expenditures that aggregate in excess of \$100,000;

(l) made any loans or advances to, or guarantees for the benefit of, any Persons (other than advances to employees for travel and business expenses incurred in the Ordinary Course of Business that do not exceed \$50,000 in the aggregate);

(m) changed or authorized any change in its certificate of organization, operating agreement or other governing or organizational documents;

(n) instituted or settled any claim or lawsuit for an amount involving in excess of \$50,000 in the aggregate or involving equitable or injunctive relief;

(o) acquired any other business or Person (or any significant portion or division thereof), whether by merger, consolidation or reorganization or by purchase of its assets or stock or acquired any other material assets;

(p) made or changed any Tax election, changed any annual Tax accounting period, adopted or changed any method of Tax accounting, filed any amended Tax Return, entered into any closing agreement with respect to Taxes, settled any Tax claim or assessment, surrendered any right to claim a Tax refund, or consented to any extension or waiver of the limitations period applicable to any Tax claim or assessment, that may have the effect of increasing any Taxes imposed in respect of any of the Company Shares for any taxable period (or portion thereof) ending after the Closing Date;

(q) entered into any transaction that was not in the Ordinary Course of Business; or

(r) committed or agreed, in writing or otherwise, to any of the foregoing, except as expressly contemplated by this Agreement and the Ancillary Agreements.

7.10 Leased Real Property.

(a) Company does not own any real property.

(b) Schedule 7.10(b) identifies (i) the street address of each parcel of Leased Real Property, and (ii) the identification of the lease, license, sublease or other occupancy agreements and all amendments, modifications, supplements, and assignments thereto, together with all exhibits, addenda, riders and other documents constituting a part thereof for each parcel of Leased Real Property (collectively, the "Leases"), and the identification of all subleases, overleases, occupancy agreements and other ancillary agreements or documents pertaining to the tenancy at each such parcel of Leased Real Property, including, without limitation, all memoranda of lease, estoppel certificates, consents, commencement date letters, letters of extensions, subordination, non-disturbance and attornment agreements, documents or correspondence that affect or may affect the tenancy at any Leased Real Property (collectively the "Ancillary Lease Documents").

(c) The Leases and the Ancillary Lease Documents are valid, binding, enforceable and in full force and effect and have not been modified or amended except as disclosed on Schedule 7.10(b). All formalities and procedures (including, but not limited to, registration and adequate stamping) have been complied with regarding each of the Leases and Ancillary Lease Documents and do not adversely affect the enforceability of any of the Leases and the Ancillary Lease Documents. The Leases and the Ancillary Lease Documents constitute all of and the only agreements under which Company holds leasehold or subleasehold interests in any real property. Company has delivered to the Buyer full, complete and accurate copies of each of the Leases and all Ancillary Lease Documents described in Schedule 7.10(b).

(d) With respect to each of the Leases identified on Schedule 7.10(b), except as set forth on Schedule 7.10(d):

(i) the Lease and all Ancillary Lease Documents shall continue to be legal, valid, binding, enforceable and in full force and effect on identical terms following the Closing;

(ii) neither Company, nor, to the Knowledge of Company, any other party to any Leases or Ancillary Lease Documents is in breach or default, and, to the Knowledge of Company, no event has occurred which, with notice or lapse of time, would constitute such a breach or default or permit termination, modification or acceleration under the Leases or any Ancillary Lease Documents;

(iii) the rent set forth in each Lease of the Leased Real Property is the actual rent being paid along with building maintenance charges as applicable, and there are no separate agreements or understandings with respect to the same;

(iv) Company has not exercised or given any notice of exercise, nor has any lessor or landlord exercised or received any notice of exercise, of any option, right of first offer or right of first refusal contained in any such Lease or Ancillary Lease Document, including any such option or right pertaining to purchase, expansion, renewal, extension or relocation;

(v) the transactions contemplated by this Agreement do not require the consent of any other party to such Leases and will not result in a breach of or default under such Leases;

(vi) there are no material disputes with respect to such Leases;

(vii) Company does not owe any brokerage commissions or finder's fees with respect to such Lease;

(viii) the other party to such Lease is not an Affiliate of, and otherwise does not own any economic interest in, Company;

(ix) Company has not subleased, licensed or otherwise granted any Person the right to use or occupy such Leased Real Property or any portion thereof;

(x) all improvements made by Company on the Leased Real Property have received all Governmental Authority approvals (including licenses and permits) required in connection with the ownership or operation thereof, and all such improvements have been operated and maintained in compliance in all material respects with all applicable Laws;

(xi) the use and operation of the Leased Real Property in the conduct of Company's business do not violate any Law, covenant, condition, restriction, easement, license, permit or agreement;

(xii) Company has not collaterally assigned or granted any other Lien in such Lease or any interest therein;

Company; and (xiii) the Leased Real Property identified in the Disclosure Schedule comprises all of the real property currently used in the business of

(xiv) except as set forth in Schedule 7.10(d), to Company's Knowledge no expenditures in excess of \$50,000 in the aggregate are required to be made for the repair or maintenance of any improvements on the Leased Real Property.

(e) Except as otherwise set forth in Schedule 7.10(e), Company has not made any improvements or construction of a value in excess of \$100,000 in the aggregate made to or constructed on any Leased Real Property within the applicable period for the filing of mechanics' Liens.

(f) Company has not entered into any other Contract for the assignment or other transfer of the Leased Real Property.

(g) None of Company or any constituent partner of Company is a foreign corporation, foreign partnership or foreign estate (as such terms are defined in Section 1445 of the Code).

7.11 Personal Property.

(a) Company owns good and marketable title to, or a valid leasehold interest in, free and clear of all Liens, all of the personal property and assets of Company or used by Company or shown on the Interim Balance Sheet.

(b) The buildings, improvements, machinery, equipment, personal properties, vehicles and other tangible assets of Company located upon or used in connection with the Leased Real Property are operated in conformity with all applicable Laws and regulations, are in good condition and repair, except for reasonable wear and tear not caused by neglect, and are usable in the Ordinary Course of Business. The assets and properties of Company collectively constitute all of the assets and properties that are necessary and sufficient for the operation of the business of Company as currently conducted or as presently contemplated to be conducted.

7.12 Contracts and Commitments.

(a) Except as set forth on Schedule 7.12, Company is not a party to, or bound by, whether written or oral, any:

(i) Contract involving a vendor, supplier, service provider or other similar business relation of Company from whom Company purchased more than \$50,000 in goods and/or services over the course of the twelve (12) months ending March 31, 2017;

(ii) Contract involving a potential commitment or payment by Company in excess of \$50,000 per year;

(iii) Contracts under which any Intellectual Property Rights are transferred, assigned, licensed, granted or otherwise made available to Company by any Person, or by Company to any Person (excluding any commercial-off-the-shelf software license

agreements with a one-time or annual financial commitment of not less than \$25,000) (the “Intellectual Property Contracts”);

(iv) Contract for the employment of any officer, individual employee or other Person on a full-time, consulting or independent contractor basis or any severance or change-of-control agreement, or any collective bargaining agreement or Contract with any labor union;

(v) Contract relating to Indebtedness (including guaranty arrangements) or to mortgaging, pledging or otherwise placing a Lien on any of its assets, or any guaranty of an obligation of a third party;

(vi) royalty, dividend or similar arrangement based on the revenues or profits of Company or any Contract or agreement involving fixed price or fixed volume arrangements;

(vii) Contract which contains any provisions requiring Company to indemnify any other party other than in the Ordinary Course of Business;

(viii) Contract under which Company is lessee of, or holds or operates, any property, real or personal, owned by any other party calling for payments in excess of \$100,000 annually or under which it is lessor of or permits any third party to hold or operate any property, real or personal, owned or controlled by Company;

(ix) Contract or group of related Contracts which are not cancelable by Company without penalty on not less than thirty (30) days’ notice;

(x) Contract relating to the ownership of or investment in any business or enterprise (including investments in joint ventures and minority equity investments);

(xi) Contract limiting the freedom of Company, or that would limit the freedom of Buyer or any of its Affiliates, to freely engage in any line of business or with any Person anywhere in the world or during any period of time, including any Contract containing an exclusivity obligation, most-favored-nation provision or “best price” obligation enforceable against Company;

(xii) Contract relating to the distribution, marketing, advertising or sales of Company’s products and/or services;

(xiii) Contract pursuant to which it subcontracts work to third parties;

(xiv) Contract with any Governmental Authority;

(xv) power of attorney;

(xvi) acquisition agreement, whether by merger, stock or asset sale or otherwise;

- (xvii) any Contract for the development of software;
- (xviii) Contract not executed in the Ordinary Course of Business; or
- (xix) other Contract material to Company.

(b) The Contracts required to be disclosed on Schedule 7.10(b), Schedule 7.12 or Schedule 7.21 are referred to herein as the “Company Contracts”. A true and correct copy of each Company Contract was posted to Company’s data room on or before September 28, 2017 and was freely accessible by Buyer. Except as disclosed on Schedule 7.12(b), (i) no Company Contract has been canceled or, to Company’s Knowledge, breached by the other party, and Company has no Knowledge of any planned breach by any other party to any Company Contract, (ii) Company has performed all of the obligations required to be performed by it in connection with Company Contracts and is not in default under or in breach of any Company Contract, and no event or condition has occurred or arisen which with the passage of time or the giving of notice or both would result in a default or breach thereunder, and (iii) each Company Contract is legal, valid, binding, enforceable and in full force and effect and will continue as such following the consummation of the transactions contemplated hereby; provided, however, that nothing in this Section 7.12 shall require Buyer to comply with any current obligation under any (i) Company Employee Plan or (ii) employment or independent contractor agreement under which Company is the party receiving services.

7.13 Litigation; Proceedings. Except as set forth on Schedule 7.13, there are no actions, suits, Proceedings, Orders, judgments, decrees or investigations (“Proceedings”) pending or, to Company’s Knowledge, threatened against or affecting Company or its directors, officers or employees, in their capacity as such and relating to Company, at law or in equity, or before or by any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, and to the Knowledge of Company there is no basis for any of the foregoing. Company is not subject to any arbitration, proceeding under collective bargaining Contracts or otherwise or, to Company’s Knowledge, any governmental investigation or inquiry; and, to Company’s Knowledge, there is no valid basis for any of the foregoing. Except as set forth on Schedule 7.13, neither Company nor any of its directors, officers or employees, in their capacity as such, has received any opinion or legal advice in writing to the effect that Company is exposed from a legal standpoint to any Liability that may be material to Company’s businesses as currently conducted. Company is not subject to any outstanding Order, judgment or decree issued by any court or quasi-judicial or administrative agency of any federal, state, local or foreign jurisdiction or any arbitrator. Company is fully insured with respect to each of the matters set forth on Schedule 7.13. Schedule 7.13 includes a description of all litigation, claims, Proceedings or, to Company’s Knowledge, investigations involving Company or any of its directors, officers or employees, in their capacity as such, occurring, arising or existing during the past twelve months.

7.14 Governmental Licenses and Permits. Schedule 7.14 contains a complete listing and summary description of all permits, licenses, franchises, certificates, approvals, consents, exemptions, certificates of authorization, indemnification numbers, registrations and other authorizations of Governmental Authorities (including all applications therefor), or other

similar rights, together with any renewals, extensions, or modifications thereof and additions thereto (collectively, the "Permits") owned or possessed by Company or used by Company in the conduct of its business. Except as set forth on Schedule 7.14, Company owns or possesses all right, title and interest in and to all Permits that are necessary to conduct its business as currently conducted, each of which is in full force and effect. Company is in compliance with the terms and conditions of such Permits. No loss or expiration of any Permit is pending or, to Company's Knowledge, threatened (including as a result of the transactions contemplated hereby) other than expiration in accordance with the terms thereof, which terms do not expire as a result of the consummation of the transactions contemplated hereby.

7.15 Compliance with Laws.

(a) Except as disclosed on Schedule 7.15, Company and, to the Knowledge of Company, its respective officers and directors have complied with and are in compliance in all material respects with all Laws that are applicable to the business, business practices (including Company's production, marketing, sales and distribution of its products and services) or any owned or leased properties of Company or to which Company may be subject, and, since April 1, 2014 no claims have been filed against Company alleging a violation of any such Laws, and Company has not received notice of any such violation.

(b) Neither Company nor any of Company's directors, officers, managers, owners, employees or agents have, directly or indirectly, made, offered, promised or authorized any payment or gift of any money or anything of value to or for the benefit of any "foreign official" (as such term is defined in the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA")), foreign political party or official thereof or candidate for foreign political office for the purpose of (i) influencing any official act or decision of such official, party or candidate, (ii) inducing such official, party or candidate to use his, her or its influence to affect any act or decision of a foreign Governmental Authority, or (iii) securing any improper advantage, in the case of (i), (ii) and (iii) above in order to assist Company or any of its Affiliates in obtaining or retaining business for or with, or directing business to, any Person. Neither Company nor any of its directors, officers, managers, owners, employees or agents on behalf of Company have made or authorized any bribe, rebate, payoff, influence payment, kickback or other unlawful payment of funds or received or retained any funds in violation of any Law. Company further represents that it has maintained, and has caused each of its Subsidiaries to maintain, systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with the FCPA or any other applicable anti-bribery or anti-corruption Law (including but not limited to the Prevention of Corruption Act, 1988). To Company's Knowledge, neither Company, nor any of its officers, managers, owners, directors or employees are the subject of any allegation, voluntary disclosure, or investigation related to the FCPA or any other anti-corruption Law. Neither Company, nor, to Company's Knowledge, any of its officers, managers, owners, directors or employees are the subject of prosecution or other enforcement action related to the FCPA or any other anti-corruption Law.

(c) Since April 1, 2014, Company has not been a party to any Contract or bid with, and has not conducted business or participated in any transaction involving, directly or indirectly, any Prohibited Persons. For purposes of this provision, a "Prohibited Person" shall mean (i) any Person identified on the Office of Foreign Assets Control ("OFAC") list of Specially

Designated Nationals and Blocked Persons or targeted by an OFAC Sanctions Program; (ii) the government, including any political subdivision, agency, instrumentality, or national thereof, of any country with respect to which the United States or any jurisdiction in which Company is operating, located or incorporated or organized administers or imposes economic or trade sanctions or embargoes; (iii) any Person acting, directly or indirectly, on behalf of, or an entity that is owned or controlled by, a Specially Designated National and Blocked Person or by a government or Person identified in clause (ii) above, or (iv) a Person on any other similar export control, terrorism, money laundering or drug trafficking related list administered by any Governmental Authority either within or outside the U.S. with whom it is illegal to conduct business pursuant to applicable Law.

7.16 Taxes. Except as provided as set forth on Schedule 7.16:

(a) Company has timely (taking into account extensions of time to file) filed all Tax Returns required to be filed, and all such Tax Returns were true, correct, and complete in all material respects. Company has paid all Taxes shown thereon or otherwise due.

(b) Company has provided adequate accruals (without taking into account any reserve for deferred Taxes) in the Interim Financial Statements for any Taxes that have not been paid, but were owed or accrued as of the date of the Interim Financial Statements, whether or not shown as being due on any Tax Returns. Other than Taxes incurred in the Ordinary Course of Business, Company has no Liability for unpaid Taxes accruing after the date of the Interim Financial Statements. The accruals for deferred Taxes reflected in the Interim Financial Statements are adequate to cover any deferred Tax Liability of Company determined in accordance with generally accepted accounting principles through the date of this Agreement.

(c) All Tax Returns filed by or with respect to Company through the Tax year ending March 31, 2013 have been examined and closed or are Tax Returns with respect to which the applicable period for assessment under applicable Law, after giving effect to extensions or waivers, has expired.

(d) No request for information related to Tax matters has been received from any Governmental Authority since March 31, 2013, no audit or other administrative proceeding is pending, being conducted, or threatened by any Governmental Authority, and no judicial proceeding is pending or being conducted that involves any Tax paid or Tax Return filed by or on behalf of Company.

(e) No claim or deficiency against Company for the assessment or collection of any Taxes has been asserted or proposed to Company which claim or deficiency has not been settled with all amounts determined to have been due and payable having been timely paid

(f) No claim has ever been made or threatened by a Tax authority in a jurisdiction where Company has never filed Tax Returns asserting that such Person is or may be subject to Taxes imposed by that jurisdiction, nor, to Company's Knowledge, is there any factual basis for any such claim.

(g) Company has deducted, withheld and timely paid to the appropriate Governmental Authority all Taxes required to be deducted, withheld or paid in connection with income allocated to or amounts owing to any employee (as determined in accordance with applicable Laws), independent contractor, creditor, shareholder, other equity holder or any other Person and has complied with all applicable Tax Laws relating to the payment, withholding, reporting and recordkeeping requirements relating to any Taxes required to be collected or withheld.

(h) There are no Liens for Taxes, other than Liens for Taxes not yet due and payable, upon the properties or assets of Company.

(i) Company is not and has never been a party to any Tax sharing, Tax indemnity, Tax allocation or similar agreement with respect to Taxes, or has any Liability or potential Liability to another party under any such agreement.

(j) Company has not executed or entered into with any Governmental Authority (i) any agreement, waiver or other document extending or having the effect of extending or waiving the period for assessment or collection of any Taxes for which it would or could be liable; (ii) any closing agreement pursuant to Section 7121 of the Code, or any predecessor provision thereof or any similar provision of state, local or foreign Tax Law; (iii) any private letter ruling request or private letter ruling, or (iv) any power of attorney with respect to any Tax matter which is currently in force.

(k) Company has never had any Liability for the Taxes of any Person under Treasury Regulation Section 7.1502-6 (or any similar provision of state, local or foreign Tax Law), as a transferee or successor, by Contract or otherwise.

(l) Company will not be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period ending after the Closing Date as a result of any (i) change in accounting method for any Pre-Closing Tax Period under Section 481 of the Code (or any similar provision of U.S. state, local or foreign Tax Law), (ii) written agreement with a Tax authority with regard to its Tax Liability for any Pre-Closing Tax Period, (iii) installment sale, completed contract method, cash method of accounting, or open transaction disposition made prior to the Closing Date or prior to the Closing on the Closing Date, (iv) prepaid amount received on or prior to the Closing Date, or (v) discharge of any Indebtedness on or prior to the Closing Date under Section 108(i) of the Code.

(m) Company has not participated in any "reportable transaction" within the meaning of Treasury Regulation Section 7.6011-4.

(n) Company is not and has never been a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code.

(o) Company has not been a party to any distribution occurring during the last two (2) years in which the parties to such distribution treated the distribution as one to which Section 355 or Section 361 of the Code is applicable; nor has Company been a party to any distribution that could constitute part of a "plan" or "series of related transactions" (within the

7.17 Employees; Benefits.

(a) Company has separately delivered to Buyer via disk or zip file (the "Employee File") a complete and accurate list as of September 30, 2017, of the following information: (i) name of employee, (ii) employee identification number, (iii) gross monthly salary, (iv) status (full-time vs. part-time and permanent vs. temporary), (v) accrued but unused paid leave, (vi) incentive compensation, bonuses and commission payments (including commission rates), (vii) job title, and (viii) work location. Company shall also separately deliver to Buyer an Employee File as of October 31, 2017 (the "October File") and the October File is true and correct as of the Closing Date, except as set forth on Schedule 7.17(a). The Employee File shall be deemed to be part of the Disclosure Schedules for all purposes of this Agreement. (i) Company is, and within the past three years have been, in compliance with all applicable Laws and regulations respecting labor and employment including fair employment practices, work place safety and health, terms and conditions of employment, maintenance of applicable statutory registers, the classification and treatment of independent contractors, consultants, temporary employees, leased employees or other servants or agents employed or used with respect to the operation of the business of Company and classified by Company as other than employees ("Contingent Workers"), wages and hours; (ii) Company is not delinquent in any payments to any employee or Contingent Worker for any wages, salaries, commissions, bonuses, fees or other direct compensation due with respect to any services performed for it or amounts required to be reimbursed to such employees or Contingent Workers, regardless of whether such Persons are properly classified under applicable Laws; (iii) there are no, and within the last three years there have been no, formal or informal grievances, complaints, litigation, governmental investigations or audits, arbitrations or charges with respect to employment or labor matters (including allegations of employment discrimination, retaliation, unfair labor practices, violation of wage and hour Laws or misclassification of Contingent Workers) pending or threatened against Company in any judicial, regulatory or administrative forum, under any private dispute resolution procedure or internally; (iv) none of the employment policies or practices of Company is currently being audited or investigated (or has been audited or investigated within the past three years) or, to the Knowledge of Company, subject to imminent audit or investigation by any Governmental Authority; (v) none of Company nor any of its officers or senior managers, is, or within the last three years has been, subject to any Order, decree, injunction or judgment by any Governmental Authority or private settlement Contract in respect of any labor or employment matters; (vi) Company is, and within the past three years has been, in compliance with the requirements of the Immigration Reform Control Act of 1986; (vii) all employees are, and within the past three (3) years have been, employed at-will; and (viii) all employment contracts entered into with the concerned employees are valid, subsisting and have been duly executed and adequately stamped.

(b) To the extent that any Contingent Workers are employed, Company has properly classified and treated them in accordance with applicable Laws and for purposes of all employee benefit plans and perquisites. Company currently classifies and has properly classified each of its employees as exempt or non-exempt for the purposes of the Fair Labor Standards Act and state, local and foreign wage and hour Laws, and is and has been otherwise in compliance with such Laws.

(c) Company has not experienced a "plant closing," "business closing," or "mass layoff" or similar group employment loss as defined in the federal Worker Adjustment and Retraining Notification Act (the "WARN Act") or any similar state, local or foreign Law or regulation affecting any site of employment of Company or one or more facilities or operating units within any site of employment or facility of Company. During the ninety (90) day period preceding the date hereof, no employee or Contingent Worker has suffered an "employment loss" as defined in the WARN Act with respect to Company.

(d) In the past 12 months (i) no officer or key employee's employment with Company has been terminated for any reason; and (ii) to the Knowledge of Company, no officer or key employee, or group of employees or Contingent Workers, has expressed any plans to terminate his, her or its employment or service arrangement with Company.

(e) There is no, and during the past three years there has not been, any labor strike, picketing of any nature, organizational campaigns, labor dispute, slowdown or any other concerted interference with normal operations, stoppage or lockout pending or, to the Knowledge of Company, threatened against or affecting the business of Company; (ii) Company does not have any duty to bargain with any union or labor organization or other Person purporting to act as exclusive bargaining representative ("Union") of any employees or Contingent Workers with respect to the wages, hours or other terms and conditions of employment of any employee or Contingent Worker; (iii) there is no collective bargaining agreement or other Contract with any Union, or work rules or practices agreed to with any Union, binding on Company, or being negotiated, with respect to Company's operations or any employee or Contingent Worker.

(f) Schedule 7.17(f) lists all Company Employee Plans. With respect to each material Company Employee Plan, Company has made available to Buyer a true and complete copy of, as applicable, (i) the plan document and all amendments thereto (including a written description of the material provisions of each unwritten Company Employee Plan), (ii) each trust, insurance, annuity or other funding Contract and all amendments and riders thereto, (iii) the most recent audited financial statements and actuarial or other valuation reports, (iv) the three most recent annual reports on Form 5500 (with all schedules and attachments), (v) the most recent determination letter (or, if applicable, advisory or opinion letter) from the Internal Revenue Service, (vi) the most recent summary plan description and all summaries of modifications thereto, (vii) the most recent plan year's compliance and discrimination testing results, and (viii) all material correspondence for the past three years between such Company Employee Plan, Sellers or Company and the Internal Revenue Service, United States Department of Labor, Pension Benefit Guaranty Company or other Governmental Authority.

(g) Neither Company nor any of their ERISA Affiliates sponsor, maintain, contribute to or are required to contribute to, or have or could have any obligation to, or Liability relating to, a plan that is subject to Title IV of ERISA. Except as set forth on Schedule 7.17(g), no Company Employee Plan provides or obligates Company to provide health or other welfare benefits to former employees or service providers of Company (or their eligible dependents) other than health continuation coverage pursuant to COBRA at the recipient's sole premium expense.

(h) Each Company Employee Plan has been established, funded, maintained and administered in compliance, in all material respects, with its terms and with the applicable requirements of ERISA, the Code and any other applicable Laws. Each Company Employee Plan that is intended to be qualified under Section 401(a) of the Code has received a favorable determination letter from the Internal Revenue Service or is the subject of a favorable opinion letter from the Internal Revenue Service on the form of such Company Employee Plan and, to Company's Knowledge, there are no facts or circumstances that would be reasonably likely to adversely affect the qualified status of any such Company Employee Plan.

(i) Neither Company nor any of their ERISA Affiliates has incurred any Controlled Group Liability that has not been satisfied in full, nor do any facts or circumstances exist that would reasonably be expected to result in any Controlled Group Liability becoming a Liability of Buyer or any of its Affiliates at or after the Closing.

(j) Company has not engaged in any transaction with respect to any Company Employee Plan that would be reasonably likely to subject Company to any material Tax or penalty (civil or otherwise) imposed by ERISA, the Code or other applicable Law. No Proceeding (other than claims for benefits in the ordinary course) is pending or, to Company's Knowledge, threatened with respect to any Company Employee Plan or the assets of any Company Employee Plan. All contributions and payments with respect to each Company Employee Plan that are required to be made with respect to periods ending on or prior to the Closing Date have been, or will be, timely made or accrued before the Closing Date in accordance with the terms of the applicable Company Employee Plan.

(k) Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby (either alone or in combination with another event) will (i) result in the increase or payment of any compensation or benefits to any current or former employee or other individual service provider of Company, (ii) result in the acceleration of the time of payment, funding, or vesting of any benefits under any Company Employee Plan or Contract with any current or former employee or other individual service provider of Company, or (iii) result in the payment of any amount to any current or former employee or other individual service provider of Company that could, alone or in combination with another payment, not be deductible by reason of Section 280G and Section 4999 of the Code. No Company Employee Plan or Contract with a current employee or individual service provider of Company provides for the gross-up, reimbursement, or indemnification of any Taxes imposed by Sections 409A or 4999 of the Code.

(l) No Company Employee Plan or Contract provides compensation or benefits to any current or former employee or individual service provider of Company who resides or performs services primarily outside of the United States.

(m) Company has not used the services of workers provided by third-party contract labor suppliers, seasonal employees, temporary employees, "leased employees" (within the meaning of Section 414(n) of the Code) or individuals who have provided services as independent contractors to an extent that would reasonably be expected to result in the disqualification of any Company Employee Plan or the imposition of penalties or excise Taxes

with respect to any Company Employee Plan by the Internal Revenue Service, United States Department of Labor, Pension Benefit Guaranty Company or other Governmental Authority.

(n) Except as disclosed in Schedule 7.17(n), no director, manager, officer, employee, independent contractors or consultant of Company (each, a "Service Provider") is or will be subject to any Contracts that specify a particular employment or service term or a minimum or committed level of compensation, or limit Company's right to terminate the employment or service relationship of such Service Provider with Company. Except as may be required by Law and except as disclosed in Schedule 7.17(n), Company does not and will not have any contractual obligation (i) to provide any particular form or period of notice prior to termination, or (ii) to pay any of such Service Providers any severance or termination benefits in connection with their termination of employment or service. Except as specifically contemplated by this Agreement, to Company's Knowledge, none of the key employees has a present intention to terminate his, her or its employment or service with Company, whether before, at or soon after the Closing.

7.18 Insurance. Schedule 7.18 lists each insurance policy maintained by or on behalf of Company with respect to their respective properties, assets and business, together with a claims history for the past two years. All of such insurance policies are in full force and effect, all premiums due and payable with respect to such insurance policies have been paid to date, and Company has never been (i) in default with respect to its Liabilities under any such insurance policies or (ii) denied insurance coverage. Such insurance policies provide coverage customary for similarly situated companies in the same or similar industries and as required by applicable Law. Except as set forth on Schedule 7.18, Company does not have any self-insurance or co-insurance program, and the reserves set forth in the Financial Statements are adequate to cover all anticipated Liabilities with respect to any such self-insurance or coinsurance program.

7.19 Environmental Matters.

(a) Company has complied with and is currently in compliance with all Environmental Laws and has no Liabilities, including corrective, investigatory or remedial obligations arising under Environmental Requirements, and Company has not received any oral or written notice, report or information regarding any Liabilities, including corrective, investigatory or remedial obligations arising under Environmental Requirements which relate to Company or any of its properties or facilities.

(b) Without limiting the generality of the foregoing, Company has timely applied for, obtained and complied with, and is currently in compliance with, all Permits and other authorizations that may be required pursuant to any Environmental Laws for the occupancy of its properties or facilities or the operation of its business and have made all declarations and filings with Governmental Authorities necessary for the lawful conduct of Company's respective businesses as presently conducted.

(c) None of this Agreement, any Ancillary Agreement or the consummation of the transactions contemplated hereby and thereby shall impose any Liability on Company or otherwise for site investigation or cleanup, or notification to or consent of any

government agencies or third parties under any Environmental Laws (including any so called “transaction-triggered” or “responsible property transfer” laws and regulations).

(d) Except as set forth on Schedule 7.19(d), (i) Company has not received any written notice of any violation of, or Liability or Proceeding under, any Environmental Laws or with respect to Hazardous Materials; and (ii) no Order is outstanding and no Proceeding is pending or, to Company’s Knowledge, threatened against Company arising under or related to Environmental Laws or Hazardous Materials.

(e) Except as set forth on Schedule 7.19(e), Company has not arranged, by Contract or otherwise, for the transportation, treatment, storage or disposal of any Hazardous Materials at, on, to, under or from any location, except as would not reasonably be expected to result in any material Liability to Company.

(f) Except as set forth on Schedule 7.19(f), there has been no Release at, on, under or from the Leased Real Property or any other real property currently or formerly owned, operated or leased by Company, except as would not reasonably be expected to result in any material Liability to Company.

(g) Except as set forth on Schedule 7.19(g), Company does not own or operate and, to Company’s Knowledge, the Leased Real Property contains (i) emergency generators, (ii) underground or aboveground improvements, including but not limited to treatment or storage tanks, used currently or in the past for the management of Hazardous Materials, (iii) any dump or landfill, or (iv) any Facilities containing polychlorinated biphenyls, “toxic mold,” lead-based paint, or asbestos-containing materials.

(h) Company has made available to Buyer copies of all environmental assessments, reports, audits and other material documents in its possession or under its control that relate to Company’s compliance with Environmental Laws or the environmental condition of any Leased Real Property or any other real property that Company formerly owned, operated, or leased.

7.20 Names and Location. Except as set forth on Schedule 7.20, (i) during the preceding two (2)-year period, Company has not used any name or names under which Company has invoiced account debtors, maintained records concerning its assets or otherwise conducted its business, other than the exact name under which it has executed this Agreement, and (ii) all of Company’s assets are located at each of the premises disclosed on Schedule 7.20.

7.21 Insider Transactions. Except as disclosed on Schedule 7.21, no officer, director, or other Affiliate of Company or any individual related by blood, marriage or adoption to any such Person or any entity in which any such Person owns any beneficial interest (collectively, the “Insiders”), is a party to any Contract or transaction with Company or which is pertaining to the business of Company or has any interest in any property, real or personal or mixed, tangible or intangible, used in or pertaining to the business of Company. Schedule 7.21 hereto describes (i) all affiliated services provided to or on behalf of Company by any Insider and (ii) a description of all relationships and affiliations among such Insiders to any arrangements or transactions disclosed in accordance with clause (i). Except as disclosed on Schedule 7.21, (a) to its Knowledge, no

employee or securityholder of Company or any individual related by blood, marriage or adoption to any such Person or any entity in which any such Person owns any beneficial interest (collectively, the “Other Insiders”), is a party to any Contract or transaction with Company or has any interest in any property, real or personal or mixed, tangible or intangible, used in or pertaining to the business of Company, and (b) each Contract or transaction in excess of \$15,000 per year between an Other Insider and the Company is commercially reasonable and on arms-length terms.

7.22 Intellectual Property.

(a) Schedule 7.22(a) sets forth a true and complete list of all (i) registered, issued and applied-for Intellectual Property Rights owned by or pending in the name of any Company on the date hereof (collectively, “Company Registered IP”), indicating for each such item the applicable owner, filing or registration number, filing jurisdiction, and date of expiration (if any), and (ii) all material, unregistered Intellectual Property Rights of Company. All Company Registered IP is enforceable, valid and subsisting, and has not expired or been cancelled or abandoned. All necessary registration, maintenance and renewal fees currently due in connection with such Company Registered IP have been made and all necessary documents, recordings and certificates in connection with such Company Registered IP have been filed with the relevant patent, copyright, trademark and other authorities in the United States and all foreign jurisdictions for the purposes of prosecuting, perfecting and maintaining such Company Registered IP in the name of Company. Company has no Knowledge of any information, materials, facts, or circumstances, including any information or fact that would constitute prior art, that would (x) render any of the Company Registered IP invalid or unenforceable, (y) would materially affect any pending application for any Company Registered IP, or (z) would otherwise affect the validity or enforceability of any Company Registered IP.

(b) Except as set forth on Schedule 7.22(b), all right, title and interest in and to all Company Registered IP, and all other Intellectual Property Rights owned or purported to be owned by Company or necessary for or used in the business or operations of Company as presently conducted (collectively, “Company Intellectual Property”), are (x) owned exclusively by Company free and clear of all Liens, except for Liens listed in Schedule 7.22(b), or (y) used or held for use in the business or operations of Company pursuant to a written and enforceable license agreement, a true and correct copy of which has been furnished to Buyer. The Company Intellectual Property constitutes all of the Intellectual Property Rights necessary for the operation of Company as currently conducted.

(c) All Company Intellectual Property is and will be fully transferable and licensable by Buyer without restriction and without payment of any kind to any Person.

(d) No Company Intellectual Property is subject to any Proceeding or outstanding Order or Contract restricting in any material manner the use, transfer, or licensing thereof by Company or which may materially affect the validity, use or enforceability of any such Company Intellectual Property.

(e) Company has not (i) transferred ownership of, or granted any exclusive license of or exclusive right to use, or authorized the retention of any exclusive rights to use or joint ownership of, any Company Intellectual Property, to any other Person, or (ii)

permitted Company's rights in any Company Intellectual Property to lapse or enter the public domain.

(f) Company have taken reasonable steps to maintain and protect the trade secrets and other confidential information of or held by Company and the trade secrets and confidential information of all third parties provided to Company under an obligation of confidentiality.

(g) Except as set forth on Schedule 7.22(g), (i) none of Company nor any of their products or services are infringing upon or misappropriating, or, to Company's knowledge, have infringed upon or misappropriated, any Intellectual Property Rights of any third party, and Company has not received any notice or claim asserting any such infringement or misappropriation, (ii) to Company's Knowledge, no third party is misappropriating or infringing, or has misappropriated or infringed, any Company Intellectual Property, and none of Company have made such claim to any third party, and (iii) none of the Company Intellectual Property that is material to the business of Company is subject to any outstanding Order restricting or limiting in any material respect the ownership, use or licensing thereof by Company.

(h) To Company's Knowledge, no event has occurred, and no circumstance or condition exists, that (with or without notice or lapse of time) will, or could reasonably be expected to, result in the delivery, license, or disclosure of any Source Code to any Person.

(i) The consummation of the transactions contemplated by this Agreement will neither violate nor result in the breach, modification, cancellation, termination or suspension of any Intellectual Property Contract. Following the Closing, Buyer will be permitted to exercise all of Company' rights under all Intellectual Property Contracts to the same extent Company would have been able to had the transactions contemplated by this Agreement not occurred and without being required to pay any additional amounts or consideration.

(j) Neither this Agreement nor the transactions contemplated by this Agreement will result in (i) any third party being granted any right or access to, or the placement in or release from escrow, of any Source Code, (ii) Buyer or any of its Affiliates granting to any third party any right or license in or to any Intellectual Property Right, (iii) Buyer or any of its Affiliates being bound by, or subject to, any non-compete or other restriction on the operation or scope of its business, or being obligated to pay any royalties or other amounts to any third party in excess of those payable by Buyer prior to the Closing.

(k) No funding of any Governmental Authority, facility of a university, college, other educational institution or research center or funding from any other third party was used in the development of Company product or service or Company Intellectual Property. To Company's Knowledge, no current or former employee or independent contractor of Company who was involved in, or who contributed to, the creation or development of Company product or service or Company Intellectual Property has performed services for any Governmental Authority, university, college, or other educational institution or research center during a period of time during which such employee, consultant or independent contractor was also performing services for Company.

(l) Schedule 7.22(l) sets forth all of the IT Assets of Company that are in production or use as of the date hereof. All IT Assets used by Company in the conduct of their businesses: (i) operate and perform in all material respects in conformance with their documentation and functional specifications; (ii) are free from any material software defects; (iii) do not contain any virus, software routine, hardware component, disabling code or instructions, spyware or other vulnerabilities or faults designed to or that could permit unauthorized access or to disable or otherwise harm any computer, system or software, or any information contained therein, or any software routine designed to or that could disable a computer program automatically with the passage of time or under the positive control of a Person other than an authorized licensee or owner of the IT Assets; (iv) are sufficient in all material respects for the operation of the businesses of Company as currently conducted; and (v) since March 31, 2016, have not experienced or been affected by any failure, breakdowns, continued substandard performance or other adverse event that have caused any material disruption or interruption to the business of Company. To Company's Knowledge, no Person has gained unauthorized access to any IT Assets. Company have implemented and maintained, consistent with customary industry practices and its obligations to third parties, security and other measures to protect the IT Assets from unauthorized access, use, or modification. The IT Assets are in good working condition to effectively perform all computing, information technology and data processing operations necessary for the operation of Company. From and after the Closing, Company will have and be permitted to exercise the same rights with respect to the IT Assets as Company would have had and been able to exercise had this Agreement not been entered into and the transactions contemplated hereby not occurred, without the payment of any additional amounts or consideration.

(m) All current and former officers and directors of Company and all current and former employees and consultants of Company who are or were at any time involved in the design, development or implementation of Intellectual Property Rights for or on behalf of Company, or who may be or were exposed to any trade secret or confidential know-how of Company, have executed and delivered to Company an agreement assigning to Company the entire right, title and interest in and to such Intellectual Property Rights and protecting the secrecy, confidentiality and value of such trade secrets or confidential information.

(n) Except as set forth on Schedule 7.22(u), no software included in Company product or service and no software otherwise included in any of the Company Intellectual Property ("Company Software") contain, use, incorporate or are distributed in conjunction with or combined with any software or material that is licensed pursuant to the provisions of any "open source," "copyleft" or other similar license agreement, including any version of any software licensed pursuant to any GNU, General Public License (GPL) or GNU Lesser/Library Public License (LGPL), or Mozilla Public License (MPL), or any other similar license agreement that would require or result in (i) Company disclosing and distributing any Company Software in a form other than object code form, (ii) Company making the Company Software available to any third-party recipient under terms that allow preparation of a derivative work, (iii) Company making Company Software available to any third-party recipient under terms that allow software or any interface therefor to be reverse engineered, reverse assembled or disassembled (other than to the extent any contrary restriction would be unenforceable under Law), or (iv) Company making the Company Software available to any third-party recipient at no license fee (each, an "Open Source License"). To Company's Knowledge, and except as set

forth on Schedule 7.22(n), no Company Software, as a result of the distribution, modification, intermingling or integration of Company Software with any software or material licensed under any Open Source License, is, in whole or in part, subject to any provision of any Open Source License. All use and distribution of Company product or service is in full compliance with all Open Source Licenses applicable thereto.

7.23 Brokerage. Except as set forth on Schedule 7.23, there is no investment banker, broker, finder or other intermediary whom has been retained by or is authorized to act on behalf of Company or any of its Affiliates who might be entitled to any fee or commission from Buyer or any of its Affiliates in connection with the transactions contemplated by this Agreement.

7.24 No Liquidation, Insolvency, Winding-Up.

(a) As of the date of this Agreement, no judgment, Order or decree has been made, or petition presented, or resolution passed for the winding-up or liquidation of Company, and there is not outstanding:

- (i) any petition or judgment, Order or decree for the winding up of Company;
- (ii) any appointment of a receiver over the whole or part of the undertaking of assets of Company;
- (iii) any petition or Order for administration of Company;
- (iv) any voluntary arrangement between Company and any of their creditors;
- (v) any assignment for the benefit of Company's creditors or similar creditor arrangement or remedy;
- (vi) any voluntary petition, involuntary petition or Order for relief with respect to Company under applicable Law;
- (vii) any distress or execution or other process levied in respect of Company which remains undischarged; or
- (viii) any unfulfilled or unsatisfied judgment or court Order against Company.

(b) To the Knowledge of Company, there are no circumstances which would entitle any Person or entity to present a petition for the winding-up or administration of Company or to appoint a receiver over the whole or any part of the assets of Company.

(c) Company has not been deemed unable to pay its debts as they come due within the meaning of applicable Law.

(d) The operations of Company have not been terminated.

(e) No transfer of property is being made and no obligation is being incurred in connection with the transactions contemplated by this Agreement, with the intent to hinder, delay or defraud either present or future creditors of Company.

7.25 Data Privacy. In connection with its collection, storage, transfer (including, without limitation, any transfer across national borders) and/or use of any personally identifiable information from any individuals, including, without limitation, any customers, prospective customers, employees and/or other third parties (collectively "Personal Information"), Company is and has been in compliance in all material respects with all applicable Laws in all relevant jurisdictions, Company's privacy policies and the requirements of any Contract or codes of conduct to which Company is a party. Company has commercially reasonable physical, technical, organizational and administrative security measures and policies in place to protect all Personal Information collected by it or on its behalf from and against unauthorized access, use and/or disclosure. Company is and has been in compliance with such measures and policies in all material respects.

7.26 Disclosure. To the Company's Knowledge, the representations and warranties in this Section 7 (together with disclosures set forth in the Disclosure Schedule) do not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements contained in this Section 7 (or contained in the Disclosure Schedule) not misleading in light of the circumstances in which it was made.

SECTION 8. REPRESENTATIONS AND WARRANTIES OF BUYER.

Buyer hereby represents and warrants to Sellers as follows:

8.1 Authorization. Buyer is a corporation duly organized, validly existing and in good standing under the Laws of the State of Colorado and has all requisite corporate power and authority to carry on its business as now conducted. Buyer has full organizational power and authority to execute and deliver this Agreement and each of the Ancillary Agreements to which it is a party and to consummate the transactions contemplated hereby and thereby. The Board of Directors and the shareholders of Buyer have duly approved this Agreement and all Ancillary Agreements to which it is a party and has duly authorized the execution and delivery of this Agreement and all Ancillary Agreements to which it is a party and the consummation of the transactions contemplated hereby and thereby. No other Proceedings on the part of Buyer are necessary to approve and authorize the execution and delivery of this Agreement or the Ancillary Agreements to which it is a party and the consummation of the transactions contemplated hereby and thereby. This Agreement and all Ancillary Agreements to which Buyer is a party have been duly executed and delivered by Buyer and constitute the valid and binding agreements of Buyer, enforceable against Buyer in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and similar Laws of general applicability relating to or affecting creditors' rights and to general principles of equity.

8.2 Non-Contravention. The execution, delivery and performance by Buyer of this Agreement and all agreements, documents and instruments executed and delivered by it pursuant hereto and the performance of the transactions contemplated by this Agreement and the Ancillary Agreements do not and will not: (i) violate or result in a violation of, conflict with or

constitute or result in a default (whether after the giving of notice, lapse of time or both) under, accelerate any obligation under, or give rise to a right of termination of, any Permit or Contract to which Buyer is a party or by which it or its respective assets are bound, (ii) violate or result in a violation of, conflict with or constitute or result in a default (whether after the giving of notice, lapse of time or both) under, or accelerate any obligation under, any provision of Buyer's organizational documents; (iii) violate or result in a violation of, or constitute a default (whether after the giving of notice, lapse of time or both) under, any provision of any law, regulation or rule, or any order of, or any restriction imposed by, any court or governmental agency applicable to Buyer; or (iv) require from Buyer any notice to, declaration or filing with, or consent or approval of, any Governmental Authority or other third party.

8.3 Brokerage. There is no investment banker, broker, finder or other intermediary whom has been retained by or is authorized to act on behalf of Buyer who might be entitled to any fee or commission from Buyer in connection with the transactions contemplated by this Agreement.

8.4 No Conflict. All consents, approvals, Orders, authorizations, registrations, qualifications, designations, declarations or filings with any federal, state or local governmental agency or authority required on the part of Buyer in connection with the execution, delivery or performance of this Agreement and the consummation of the transactions contemplated herein and therein shall have been obtained prior to, and be effective as of, the Closing.

SECTION 9. INDEMNITY AND LIMITATION OF LIABILITY

9.1 Survival. All representations, warranties, covenants and agreements set forth in this Agreement, the Disclosure Schedules or in any certificate or instrument delivered in connection herewith shall survive the Closing Date. For purposes of this Agreement, the term "Applicable Limitation Date" means the date that is fifteen (15) months following the Closing Date; provided however that the Applicable Limitation Date with respect to (A) the representations and warranties in Section 7.1 (Organization and Corporate Power), Section 7.2 (Authorization of Transactions), Section 7.4 (Capitalization; Subsidiaries), Section 7.16 (Taxes), and Section 7.24 (No Liquidation, Insolvency, Winding-Up) (collectively, the "Company Fundamental Representations"), and (B) the representations and warranties in Section 6.1 (Organization), Section 6.2 (Authorization), and Section 6.4 (Title) of this Agreement (the "Seller Fundamental Representations"), shall each be the five (5) year anniversary of the Closing Date, except the Applicable Limitation Date with respect to Section 7.16 (Taxes) shall be the seven (7) year anniversary of the Closing Date. For the avoidance of doubt, all covenants and agreements of the Indemnifying Parties set forth in this Agreement shall survive indefinitely.

9.2 Indemnification.

(a) Indemnification Seller and Founder Breaches. Subject to each of the limitations set forth in this Section 9, after the Closing, the Sellers and Founders (each a "Indemnifying Party," and collectively, the "Indemnifying Parties"), severally and not jointly, shall indemnify and hold harmless Buyer, its Affiliates and their respective officers, directors, employees, agents, representatives, successors and permitted assigns who are not a Seller or Founder (each, an "Indemnified Party," and collectively, the "Indemnified Parties") from and

against any Losses which an Indemnified Party suffers, sustains or becomes subject to as a result of, relating to or in connection with:

(i) a breach of any representation or warranty (other than any Seller Fundamental Representation) made by such Seller or Founder contained in this Agreement (including in the Disclosure Schedules or in any certificate or agreement delivered by or on behalf of such Seller or Founder in connection herewith);

(ii) a breach of any Seller Fundamental Representation made by such Seller or Founder contained in this Agreement (including in the Disclosure Schedules or in any certificate or agreement delivered by or on behalf of such Seller or Founder in connection herewith); and/or

(iii) a breach of any covenant or agreement by such Founder or Seller contained in this Agreement.

(b) Indemnification by Seller and Founder for Company Breaches. Subject to each of the limitations set forth in this Section 9, after the Closing, the Indemnifying Parties, jointly and severally (based upon the Pro Rata Share applicable to such Indemnifying Party), shall indemnify and hold harmless each Indemnified Party from and against any Losses which an Indemnified Party suffers, sustains or becomes subject to as a result of, relating to, or in connection with:

(i) a breach of any representation or warranty (other than any Company Fundamental Representation) made by Company contained in this Agreement (including in the Disclosure Schedules or in any certificate or agreement delivered by or on behalf of Company in connection herewith);

(ii) a breach of any Company Fundamental Representation made by Company contained in this Agreement (including in the Disclosure Schedules or in any certificate or agreement delivered by or on behalf of Company in connection herewith);

(iii) a breach of any covenant or agreement by Company at or prior to the Closing contained in this Agreement;

(iv) any and all Tax claims resulting from, arising out of or relating to: (a) any Taxes imposed on Company with respect to any Pre-Closing Tax Period and any Pre-Closing Taxes attributable to any Straddle Period; (b) any and all Taxes of any Person (other than Company) imposed on Company as a transferee or successor under Law or pursuant to any Law with similar effect as a result of any transaction occurring before the Closing; and (c) the Transfer Taxes for which the Sellers are liable pursuant to Section 5.4(b);

(v) any claims for indemnification made by any officer, director, employee or any other Person (other than an Indemnified Party) against Company or its Subsidiaries for the period prior to Closing to the extent not satisfied by the D&O Tail Policy;

(vi) any claims for any expenses, costs, liabilities or other Losses relating to Company's operations, closure, dissolution and/or winding up of its Costa Rican subsidiary; and/or

(vii) any claims relating to the Company Stock Option Plans.

(c) Limitations on Indemnity. The indemnification provided for in Sections 9.2(a) and (b) above is subject to the following limitations:

(i) The Sellers shall have no indemnification obligation in respect of claims made pursuant to Sections 9.2(a)(i) and (ii) and 9.2(b)(i) and (ii) unless the Indemnified Party gives written notice of the claim to the Sellers' Agent in accordance with the procedures set forth herein on or before the Applicable Limitation Date. If the Indemnified Party delivers such written notice of a claim on or prior to the Applicable Limitation Date, then the Sellers' indemnification obligation in respect of the claims described in the notice shall survive the Applicable Limitation Date, notwithstanding that the representations and warranties on which such claim is based have expired.

(ii) No claim for indemnification shall be brought under Sections 9.2(a)(i) and 9.2(b)(i) until the total of the aggregate amount of all Losses (including those Losses from dollar one of the Individual Threshold (as defined below) and not only those Losses above \$5,000) under Sections 9.2(a) and 9.2(b) are greater than one hundred thousand dollars (\$100,000) (the "Aggregate Threshold"), at which point the Indemnifying Parties will be obligated to indemnify the Indemnified Parties for all such Losses (including those Losses from dollar one of the Aggregate Threshold and not only those Losses above \$100,000); provided that the amount of any individual claim (or series of related claims) for Losses under Sections 9.2(a)(i) and 9.2(b)(i) shall not be counted toward the Aggregate Threshold until such Losses exceed \$5,000 (the "Individual Threshold"), and together with the Aggregate Threshold, the "Thresholds").

(iii) For any Loss prior to the Indemnity Holdback Release Date (as defined below), and subject to the limitations described in this Section 9, (1) for Losses arising under Sections 9.2(a)(i) or 9.2(b)(i), the Indemnified Parties shall seek to recover one hundred percent (100%) of such Losses solely from the Indemnity Holdback Amount, provided that in the event of a Third Party Claim, the Company is sued (or threatened to be sued), and incurs the Loss and settles the Third Party Claim, then the Company shall pay such settlement of the Third Party Claim with amounts from the Indemnity Holdback Amount, (2) for Losses arising under Sections 9.2(a)(ii) or 9.2(a)(iii), Buyer shall deduct from the Indemnity Holdback Amount such Seller's Pro Rata Share of the Losses, and to the extent the Losses exceed such Pro Rata Share, the Indemnified Parties shall seek to recover the balance of the Losses only from the breaching Seller or Founder, up to the amount of proceeds received by such breaching Seller or Founder, and (3) for Losses arising under Sections 9.2(b)(ii) through (vii), the Indemnified Parties shall seek to recover 100% of such Losses from the Indemnity Holdback Amount, and in the event the entire Indemnity Holdback Amount has been paid to Buyer, or released to Sellers as provided for herein, then the Indemnified Parties shall be entitled to recover seventy percent (70%) of such remaining Losses from the Sellers and the remaining thirty percent (30%) of such Losses (the "Unrecovered Losses") from Founders pursuant to Section 5.1(d) of the Shareholders Agreement, up to the amount of proceeds received by such Seller or Founder hereunder or thereunder, provided that in the event

of a Third Party Claim, the Company is sued (or threatened to be sued), incurs the Loss and settles the Third Party Claim, then the Company shall pay such Third Party Claim with amounts from the Indemnity Holdback Amount.

(iv) The aggregate Liability of the Indemnifying Parties for Losses pursuant to Section 9.2(b)(i) and Section 9.2(a)(i) for which the Indemnifying Parties shall be required to provide indemnification hereunder shall not exceed the Indemnity Holdback Amount (the “Cap”), and the Indemnity Holdback Amount shall be the sole source of payment for such Losses; *provided, however*, that the aggregate Liability of the Indemnifying Parties for Losses under this Section 9 other than those pursuant to Sections 9.2(b)(i) or Section 9.2(a)(i), shall be capped at such Sellers’ Pro Rata Share of the total Purchase Price.

(v) Solely for purposes of determining and calculating the amount of Losses incurred under this Agreement (but not for determining whether or not a breach of a representation or warranty has occurred), all representations and warranties set forth herein or in the Disclosure Schedules that are qualified by reference to “material,” “materially,” “Material Adverse Effect” or any similar term (collectively, “Materiality Qualifiers”) shall be deemed to have been made without giving effect to such Materiality Qualifiers.

(vi) Notwithstanding anything in this Agreement to the contrary, Buyer shall not be entitled to be indemnified for any punitive, consequential, special or indirect damages, except in the event of fraud or intentional misconduct.

(vii) Notwithstanding anything in this Agreement to the contrary, the indemnification limits set forth in this Section 9.2(c) shall not apply in the event of fraud or intentional misconduct (which means that the Cap and the Thresholds will not apply in the event of fraud or intentional misconduct), and the Applicable Limitation Date also shall continue indefinitely in such event(s).

(viii) Notwithstanding anything to contrary herein, Buyer can recover directly from Founders all Losses arising from or relating to Founders’ breaches of their own representations, warranties, agreements and covenants hereunder in accordance with Section 9.2(a), such Losses to be (A) deducted from amounts otherwise payable to Founders under the Shareholders Agreement (if prior to the Closing of SHA Transactions under the Shareholders Agreement, as defined thereunder) or (B) recoverable from the Founders if after the Closing of SHA Transactions under the Shareholders Agreement.

(d) Any Indemnified Party’s right to indemnification, reimbursement or any other remedy arising from or in connection with the representations, warranties, covenants, agreements or obligations contained in this Agreement (including the Disclosure Schedules) or any Ancillary Agreement or writing delivered pursuant to this Agreement shall not be affected by (a) any investigation conducted by or on behalf of such Person with respect to the accuracy or inaccuracy of or compliance with any such representation, warranty, covenant, agreement or obligation or (b) any knowledge acquired (or capable of being acquired) by a party (or any of its Affiliates, directors, officers, stockholders, owners, employees, representatives, agents or advisors) at any time with respect to the accuracy or inaccuracy of or compliance with any such representation, warranty, covenant, agreement or obligation.

(a) Buyer shall reasonably promptly, following the incurrence of any Losses or discovery of any potential Losses by an Indemnified Party in the belief that that such Indemnified Party is or will be entitled to indemnification pursuant to this Section 9, notify the Sellers' Agent (the "Notice") of the Loss (or potential Loss) and a description of the amount, if then known, ("Claimed Amount") for which the Indemnified Party may be entitled to indemnification to this Section 9. Subject to the survival periods and time limitations on making claims hereunder set forth in Section 9, the failure of an Indemnified Party to give timely notice hereunder shall not affect rights to indemnification hereunder, except to the extent (and only to the extent) that Indemnifying Parties are actually and materially prejudiced by such failure.

(b) Within thirty (30) days after delivery of a Notice, the Sellers' Agent shall deliver to the Indemnified Party a written response in which Sellers' Agent shall on behalf of the Indemnifying Parties: (A) agree that the Indemnified Party is entitled to receive all of the Claimed Amount (in which case such response shall be accompanied by payment by the Indemnifying Parties to the Indemnified Party of the Claimed Amount, by check or by wire transfer, as applicable), (B) agree that the Indemnified Party is entitled to receive part, but not all, of the Claimed Amount (such part, the "Agreed Amount") (in which case such response shall be accompanied by a payment by the Indemnifying Party to the Indemnified Party of the Agreed Amount, by check or by wire transfer, as applicable, and the remainder of the Claimed Amount shall be resolved in accordance with the following provisions in this Section 9.3), or (C) contest that the Indemnified Party is entitled to receive any of the Claimed Amount. If Sellers' Agent in such response contests the payment of all or part of the Claimed Amount, the Sellers' Agent and the Indemnified Party shall use good faith efforts to resolve such dispute without recourse to litigation. If such dispute is not resolved within sixty (60) days following the delivery by the Indemnifying Party of such contest notice, the Indemnifying Party and the Indemnified Party shall each have the right to submit the dispute arising to any court of competent jurisdiction in accordance with Section 10.11.

(c) All claims for indemnification made under this Agreement resulting from, related to or arising out of a third-party claim (a "Third Party Claim") against an Indemnified Party shall be made in accordance with the following procedures. Any Indemnified Party shall reasonably promptly, but in any event within fifteen (15) Business Days after the Indemnified Party receives written notice of such Third Party Claim, notify in writing the Sellers' Agent of such claim and provide all material available information regarding such claim (but the failure of an Indemnified Party to give timely notice hereunder shall not affect rights to indemnification hereunder, except to the extent (and only to the extent) that Indemnifying Parties are actually and materially prejudiced by such failure). If the indemnification sought pursuant hereto involves a Third Party Claim, Buyer shall be entitled to handle the defense of such Third Party Claim at the Sellers' cost, with counsel selected by Buyer and reasonably acceptable to the Sellers' Agent. Buyer shall have the right to settle, adjust or compromise a Third Party Claim (including payment of fees of counsel and other experts) subject to the Sellers' Agent's consent (which shall not be unreasonably withheld, delayed or conditioned). Such settlement, adjustment or compromise shall be conclusive evidence of the amount of Losses incurred by the Indemnified Party in connection with such Third Party Claim.

(d) The amount of any and all Losses under this Section 9 shall be determined net of any amounts actually recovered by an Indemnified Party or any of such Indemnified Party's Affiliates under or pursuant to any insurance policy (net of any increase in premiums resulting from the payment of such insurance proceeds), indemnity, reimbursement arrangement or Contract pursuant to which or under which such Indemnified Party or such Indemnified Party's Affiliates is a party or has rights, provided, that this Section 9.3(d) shall not be construed to require any Person to obtain any insurance coverage or to make a claim under any insurance coverage.

(e) The Sellers' Agent will act on behalf of the Sellers for all purposes (other than with respect to any obligations to make, or rights to receive, payments) under this Section 9.

9.4 Treatment of Indemnification Payments and Indemnification Calculations. Except as otherwise required by applicable Law, any indemnification payments made by the Sellers pursuant to this Agreement shall be treated for all Tax purposes by all parties as an adjustment to the Purchase Price (as determined for U.S. federal income Tax purposes).

9.5 Limitation of Remedies. Each Party acknowledges and agrees that, from and after the Closing, except in the case of claims arising out of, relating to, resulting from, based upon, by reason of or in connection with fraud or intentional misconduct, its sole and exclusive remedy with respect to any and all claims for breaches of this Agreement and the transactions contemplated hereby shall be pursuant to the indemnification provisions set forth in this Section 9. Notwithstanding the foregoing, nothing contained herein shall impair the right of any party to compel specific performance by another party of its obligations or seek injunctive relief under this Agreement.

9.6 Indemnity Holdback; Manner of Indemnification. To provide a fund against which Buyer may assert claims of indemnification under this Section 9 (an "Indemnification Claim"), the Indemnity Holdback Amount shall be held and distributed in accordance with this Section 9 and each Third Party Claim made by Buyer shall be made only in accordance with this Section 9. Any interest or other income paid on the Indemnity Holdback Amount shall be added to the Indemnity Holdback Amount and become a part thereof and available for satisfaction of Indemnification Claims made by an Indemnified Party. Subject to the terms and conditions of this Agreement, the entire amount of the Indemnity Holdback Amount shall be available to an Indemnified Party for satisfaction of any Losses it may suffer that are subject to indemnification pursuant to this Section 9, regardless of whether or not such Losses were caused by any of Company, a Seller, a Founder or any of their Affiliates and irrespective of whether Indemnification Claims under this Section 9 were first asserted by an Indemnified Party against one or more of such Persons. On the date that is fifteen (15) months following the Closing Date (the "Indemnity Holdback Release Date"), any amounts then remaining of the Indemnity Holdback Amount shall be distributed to Sellers (based upon their Pro Rata Share), minus the sum of (i) the amounts to which Buyer is entitled, but has not yet received pursuant to this Section 9 and (ii) the amounts of any unresolved claims for indemnification pending as of such date. With respect to any unresolved claim that is a Third Party Claim, if the Indemnified Parties have settled such Third Party Claim, then the Indemnified Parties shall first recover 100% of such Losses from the amount withheld in the Indemnity Holdback Amount to the extent of amounts left in the Indemnity Holdback Amount.

To the extent amounts remain after resolution of all unresolved claims after the Indemnity Holdback Release Date, such remaining amounts shall be promptly distributed by Buyer to Sellers (based upon their Pro Rata Share).

9.7 Matters Relating to the Sellers' Agent.

(a) Appointment of the Sellers' Agent. By virtue of the execution of this Agreement, each Seller and Founder hereby appoints Outforce LLC as the "Sellers' Agent" as the representative, agent and attorney-in-fact of each of the Sellers, with full power of substitution or resubstitution, to act on behalf of the Sellers with respect to such Seller's Company Shares, this Agreement and the Ancillary Agreements, and the transactions contemplated hereby and thereby in accordance with the terms and provisions of this Agreement and the Ancillary Agreements, and to act on behalf of the Sellers in any litigation involving this Agreement and the Ancillary Agreements, to do or refrain from doing all such further acts and things, and to execute all such documents and ancillary agreements as the Sellers' Agent shall deem necessary or appropriate in connection with the transactions contemplated hereby, including the power:

- (i) to act for the Sellers with regard to matters pertaining to Section 2, Section 9 and Section 10 of this Agreement;
- (ii) to execute and deliver all amendments, waivers, ancillary agreements, certificates and documents that the Sellers' Agent deems necessary or appropriate in connection with the consummation of the transactions contemplated hereby, including amendments to this Agreement;
- (iii) to receive funds, make payments of funds, and give receipts for funds;
- (iv) to receive funds for the payment of expenses of the Sellers and apply such funds in payment for such expenses;
- (v) to hold back funds from the Purchase Price to satisfy any potential expenses of the Sellers' Agent in performing its duties hereunder (the "Expense Holdback");
- (vi) to enforce the rights of the Sellers under the terms and provisions of this Agreement and the Ancillary Agreements;
- (vii) to give and receive notices and communications to or from the Buyer (on behalf of itself or any other Indemnified Party) relating to this Agreement or any of the transactions and other matters contemplated hereby;
- (viii) to assert, negotiate, enter into settlements and compromises of, and agree to arbitration and comply with Orders and judgments of courts and awards of arbitrators with respect to, any claim for indemnification asserted on behalf of or against the Sellers under this Section 9 or any other claim by any Indemnified Party against the Sellers or by the Sellers against any Indemnified Party or any dispute between any Indemnified Party and the

Sellers, in each case relating to this Agreement, the Ancillary Agreements or the transactions contemplated hereby or thereby;

(ix) to take any other actions specified in or contemplated by this Agreement and the Ancillary Agreements; and

(x) to do or refrain from doing any further act or deed on behalf of the Sellers that the Sellers' Agent deems necessary or appropriate in its sole discretion relating to the subject matter of this Agreement as fully and completely as such Sellers could do if personally present.

The Sellers' Agent hereby accepts such appointment. The Person serving as the Sellers' Agent may be removed or replaced from time to time (or if such Person resigns from its position as the Sellers' Agent then a successor may be appointed) by consent of Sellers who received, in the aggregate, more than 50.1% of the amount of cash payable to all Sellers pursuant to this Agreement in respect of the Company Shares owned by the Sellers immediately prior to the Closing.

(b) Rights and Obligations of Sellers' Agent. The appointment of the Sellers' Agent to act on behalf of the Sellers shall be deemed coupled with an interest and shall be irrevocable, and the Buyer, Company, Founders and any other Person may conclusively and absolutely rely, without inquiry, upon any action of the Sellers' Agent in all matters referred to herein. After the Closing, all notices required to be made or delivered by the Buyer to the Sellers shall be made to the Sellers' Agent for the benefit of the Sellers and shall discharge in full all notice requirements of the Buyer to the Sellers with respect thereto. The Sellers' Agent shall act for the Sellers on all of the matters set forth in this Agreement in the manner the Sellers' Agent believes to be in the best interest of the Sellers and consistent with the obligations of the Sellers under this Agreement, but the Sellers' Agent shall not be responsible or liable to the Sellers for any Loss or damages which the Sellers may suffer by the performance of the Sellers' Agent's duties under this Agreement, other than Loss or damages arising from the Sellers' Agent's gross negligence, willful misconduct, bad faith or fraud in the performance of such duties under this Agreement and in no event will any such losses or damages include special, indirect or consequential losses or damages of any kind whatsoever (including lost profits). The Sellers' Agent shall not be required to have any duties or responsibilities to the Sellers except those expressly set forth in this Agreement, and no implied covenants, functions, responsibilities, duties, obligations or Liabilities shall be read into this Agreement or shall otherwise exist against the Sellers' Agent. No provision of this Agreement will require the Sellers' Agent to expend or risk its own funds or otherwise incur any financial liability in the exercise or performance of any of its powers, rights, duties or privileges under this Agreement on behalf of any Seller.

(c) Reliance by Sellers' Agent. With respect to the Sellers, the Sellers' Agent shall be entitled to rely, and shall be fully protected in relying, upon any statements furnished to it by the Sellers, Founders, the Buyer, or Company, or any other evidence reasonably deemed by the Sellers' Agent to be reliable, and the Sellers' Agent shall be entitled to act on (and shall not be liable to the Sellers for any actions taken in reliance upon) the advice of counsel selected by it.

(d) Expenses of Sellers' Agent.

(i) The Sellers' Agent may establish a reserve account (the "Reserve Account") on account of all Sellers in accordance with their Pro Rata Share, as set forth on Exhibit A, in an aggregate amount equal to One Hundred Thousand Dollars (\$100,000) (the amount so established, the "Reserve Amount") to pay costs, fees and expenses incurred by or for the benefit of the Sellers on or after the Closing in connection with the transactions contemplated by this Agreement.

(ii) The Sellers' Agent shall be entitled to retain counsel and to incur such expenses (including court costs and reasonable attorneys' fees and expenses) as the Sellers' Agent deems to be necessary or appropriate in connection with its performance of its obligations under this Agreement. All fees and expenses incurred by the Sellers' Agent in performing its duties shall be borne by the Sellers in accordance with their respective Pro Rata Share (severally as to each Seller only and not jointly as to or with any other Seller).

(iii) The Reserve Account will be retained by the Sellers' Agent for such period of time as the Sellers' Agent shall determine in its sole discretion. The Sellers will not receive any interest or earnings on the Reserve Account and irrevocably transfer and assign to the Sellers' Agent any ownership right that they may otherwise have had in any such interest or earnings. The Sellers' Agent will not be liable for any loss of principal of the Reserve Account other than as a result of its gross negligence or willful misconduct. The Sellers' Agent will hold these funds separate from its corporate funds, will not use these funds for its operating expenses or any other corporate purposes and will not voluntarily make these funds available to its creditors in the event of bankruptcy.

(iv) To the extent amounts placed into the Reserve Account are not used, or in the judgment of the Sellers' Agent are not expected to be used, to pay fees and expenses incurred in connection with the transactions contemplated by this Agreement including costs associated with any Indemnification Claims, such remaining amount, together with all earnings thereon, shall be returned to the Buyer, who shall arrange to distribute such remaining Reserve Amount to the Sellers reasonably promptly in proportion to their respective Pro Rata Share. The Sellers' Agent shall have sole and exclusive authority to disburse and pay amounts placed into the Reserve Account consistent with the provisions of this Agreement.

(e) Indemnification. Each Seller shall indemnify, defend and hold harmless the Sellers' Agent from and against any and all losses, liabilities, damages, claims, penalties, fines, forfeitures, actions, fees, costs and expenses (including the fees and expenses of counsel and experts and their staffs and all expense of document location, duplication and shipment) (collectively, "Agent Losses") arising out of or in connection with the Sellers' Agent's execution and performance of this Agreement and any agreements ancillary hereto, in each case as such Agent Loss is suffered or incurred; provided, that in the event that any such Agent Loss is finally adjudicated to have been directly caused by the gross negligence or willful misconduct of the Sellers' Agent, the Sellers' Agent will reimburse the Sellers the amount of such indemnified Agent Loss to the extent attributable to such gross negligence or willful misconduct. If not paid directly to the Sellers' Agent by the Sellers, the Sellers' Agent shall be entitled to seek any remedies available to it at Law or otherwise. In no event will the Sellers' Agent be required to advance its own funds on behalf of the Sellers or otherwise against the Sellers. Notwithstanding anything in this Agreement to the contrary, any restrictions or limitations on liability or

indemnification obligations of the Sellers set forth elsewhere in this Agreement are not intended to be applicable to the indemnities provided to the Sellers' Agent under this section. The foregoing indemnities will survive the Closing, the resignation or removal of the Sellers' Agent or the termination of this Agreement. Each Seller, by its execution of this Agreement, shall authorize the Sellers' Agent to apply proceeds otherwise distributable to the Sellers pursuant to this Agreement to satisfy any of the Sellers' obligations under this Section 9.7.

(f) Survival. The agreements in this Section 9.7 shall survive termination of this Agreement.

SECTION 10. MISCELLANEOUS.

10.1 Amendment. This Agreement may not be amended or modified except (a) by an instrument in writing signed by or on behalf of Sellers' Agent, Buyer and Company or (b) by a waiver in accordance with Section 10.1(a).

(a) Waiver. Any Party to this Agreement may waive compliance or performance of any provision of this Agreement that is intended for the benefit of such waiving Party. Any such extension or waiver shall be valid only if set forth in a writing executed by the Party to be bound thereby. Any waiver of any term or condition shall not be construed as a waiver of any subsequent breach or waiver of the same term or condition or as a waiver of any other term or condition of this Agreement. The failure of any Party to assert any of its rights under this Section 10.1 shall not constitute a waiver of any of such rights. No course of dealing between or among any Persons having any interest in this Agreement shall be deemed effective to modify, amend or discharge any part of this Agreement or any rights or obligations of any Party under or by reason of this Agreement. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available. Notwithstanding anything to the contrary, after the Closing, the Sellers' Agent can make waivers on behalf of the Sellers.

10.2 Specific Performance. Company and Sellers agree and acknowledges that Company's business is unique and recognize and affirm that in the event of a breach of this Agreement by such Person, money damages may be inadequate and Buyer may have no adequate remedy at Law. Accordingly, Company and Sellers agree that Buyer shall have the right, in addition to any other rights and remedies existing in its favor, to enforce its rights and Company's obligations hereunder not only by an action or actions for damages but also by an action or actions for equitable relief, including injunction and specific performance. If any such action is brought by Buyer to enforce this Agreement, Company and Sellers hereby waive the defense that there is an adequate remedy at Law or the requirement for the posting of any bond or similar security.

10.3 Expenses. Except as otherwise expressly provided herein, each of the Parties hereto shall pay all of its own fees, costs and expenses (including fees, costs and expenses of legal counsel, investment bankers, brokers or other representatives and consultants and appraisal fees, costs and expenses) incurred in connection with the negotiation of this Agreement and the Ancillary Agreements, and the consummation of the transactions contemplated hereby and thereby.

10.4 Notices. All notices, claims, demands and other communications given or delivered under this Agreement shall be in writing and shall be deemed to have been duly made or given (a) when personally delivered, (b) four (4) Business Days after mailing if mailed by certified or registered mail, return receipt requested, (c) the next Business Day if delivered by reputable express courier service (sent for delivery on the next Business Day), (d) the next Business Day if sent via email or facsimile (with original copy to follow by reputable express courier service) to the respective Parties at the following addresses (or such other address for a Party as shall be specified in a notice given in accordance with this Section 10.4):

If to Company:

Motif, Inc.
300 N. Bayshore Boulevard
San Mateo, CA 94401

with a copy to:

Silicon Counsel LLP
228 Hamilton Ave., 3rd Floor
Palo Alto, California 94301
Attention: David Hubb
(dave@siliconlaw.com)

If to Buyer:

TeleTech Services Corporation
9197 South Peoria Street
Englewood, Colorado 80112
Attention: Office of General Counsel

with a copy to:

TeleTech Services Corporation
9197 South Peoria Street
Englewood, Colorado 80112
Attention: Office of CFO

If to Sellers' Agent:

Outforce LLC
3945 Freedom Circle
Santa Clara, CA 95054
Attn: Amit Parikh

10.5 Binding Agreement; Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns; provided that neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned by operation of law or otherwise without the prior written consent of Company and Buyer; provided, however, that notwithstanding the foregoing, Buyer may at any time in its sole discretion and without the consent of any other Party assign, in whole or in part, (a) its right to purchase the Company Shares to one or more of its Affiliates (provided that no such assignment shall release Buyer from its obligations hereunder); (b) its rights under this Agreement and the Ancillary Agreements for collateral security purposes to any lender providing financing to Buyer, such permitted assign or any of their Affiliates, and any such lender may exercise all of the rights and remedies of such assignee hereunder and thereunder; and (c) its rights under this Agreement and the Ancillary Agreements to any subsequent purchaser of Buyer, its parent or any of its divisions or any material portion of its assets (whether such sale is structured as a sale of stock, sale of assets, merger, recapitalization or otherwise).

10.6 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable Law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable Law or public policy, such provision shall be ineffective only to the extent of such prohibition or invalidity, and all other terms of this Agreement shall remain in full force and effect for so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party.

10.7 Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement and the other agreements, documents and instruments executed and delivered in connection herewith with sophisticated counsel. In the event an ambiguity or question of intent or interpretation arises, this Agreement and the agreements, documents and instruments executed and delivered in connection herewith shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provisions of this Agreement and the agreements, documents and instruments executed and delivered in connection herewith. The Parties intend that each representation, warranty and covenant contained herein shall have independent significance. If any Party has breached any representation, warranty or covenant contained herein in any respect, the fact that there exists another representation, warranty or covenant relating to the same subject matter (regardless of the relative levels of specificity) that the Party has not breached shall not detract from or mitigate the fact that the Party is in breach of the first representation, warranty or covenant. The word "including" shall mean "including without limitation" regardless of whether such words are included in some contexts but not others. The use in this Agreement of the masculine pronoun in reference to a party hereto shall be deemed to include the feminine or neuter, as the context may require.

10.8 Captions. The captions used in this Agreement are for convenience of reference only and do not constitute a part of this Agreement and shall not be deemed to limit, characterize or in any way affect any provision of this Agreement, and all provisions of this Agreement shall be enforced and construed as if no caption had been used in this Agreement.

10.9 Entire Agreement. This Agreement, the Schedules identified in this Agreement and the other documents referred to herein contain the entire agreement between the Parties and supersede any prior understandings, agreements or representations by or between the Parties, written or oral, which may have related to the subject matter hereof in any way.

10.10 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument.

10.11 Governing Law; Exclusive Jurisdiction; Waiver of Jury Trial.

(a) This Agreement and any claim, controversy or dispute arising out of or related to this Agreement, any of the transactions contemplated hereby, the relationship of the parties, and/or the interpretation and enforcement of the rights and duties of the parties, whether arising in contract, tort, equity or otherwise, shall be governed by, and construed in accordance with, the Laws of the State of Delaware (including in respect of the statute of

limitations or other limitations period applicable to any such claim controversy or dispute), without regard to any applicable principles of conflicts of Law that might require the application of the Laws of any other jurisdiction.

(b) Each of the parties irrevocably agrees that any legal action or proceeding arising out of or relating to this Agreement or for recognition and enforcement of any judgment in respect hereof brought by any other party or its successors or assigns may be brought and determined by the Chancery Court of the State of Delaware (or if the Chancery Court of the State of Delaware does not have subject matter jurisdiction or declines to accept jurisdiction over a particular matter, any state or federal court within the State of Delaware), and each of the parties hereby irrevocably submits to the exclusive jurisdiction of the aforesaid court for itself and with respect to its property, generally and unconditionally, with regard to any such action or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby (and agrees not to commence any action, suit or proceeding relating thereto except in such courts). Each of the parties further agrees to accept service of process in any manner permitted by such court. Each of the parties hereby irrevocably and unconditionally waives, and agrees not to assert, by way of motion or as a defense, counterclaim or otherwise, in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, (i) any claim that it is not personally subject to the jurisdiction of the above-named courts for any reason other than the failure lawfully to serve process, (ii) that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such court (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (iii) to the fullest extent permitted by Law, that (A) the suit, action or proceeding in any such court is brought in an inconvenient forum, (B) the venue of such suit, action or proceeding is improper or (C) this Agreement, or the subject matter hereof, may not be enforced in or by such courts.

(c) EACH OF THE PARTIES TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

10.12 Parties in Interest. Nothing in this Agreement, express or implied, is intended to confer on any Person other than the Parties and their respective successors and assigns any rights or remedies under or by virtue of this Agreement, except that any Person that is an Indemnified Party shall have the right to enforce the obligations contained in Section 9 herein; provided that Buyer's direct and indirect parent entities shall be express third party beneficiaries.

10.13 Press Releases and Announcements; Confidentiality. Founders and each Seller agree not to issue any press releases or make any public statements related to this Agreement or the transactions contemplated hereby, or make any other announcement to the employees, customers or vendors of Company without the prior written consent of Buyer. The Parties shall keep confidential the subject matter described herein and until Buyer authorizes disclosure of any such subject matter or facts, and then only to the extent authorized, and such terms and conditions determined, by Buyer in its sole discretion.

* * * *

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement as of the day and year first above written.

COMPANY: MOTIF, INC.

Kaushal Mehta, CEO

FOUNDERS: KAUSHAL MEHTA

Kaushal Mehta

FOUNDERS: PARUL MEHTA

Parul Mehta

[Signature Page to Stock Purchase Agreement]

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement as of the day and year first above written.

FOUNDERS: THE ISHAN MEHTA IRREVOCABLE TRUST

Trustees:

Kaushal Mehta

Parul Mehta

Shailesh Muzumdar

FOUNDERS: THE ANISHI MEHTA IRREVOCABLE TRUST

Trustees:

Kaushal Mehta

Parul Mehta

Shailesh Muzumdar

[Signature Page to Stock Purchase Agreement]

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement as of the day and year first above written.

BUYER: TELETECH SERVICES CORPORATION

By: _____
Name: Regina M. Paolillo
Title: Executive Vice President & Chief Financial Officer

[Signature Page to Stock Purchase Agreement]

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement as of the day and year first above written.

SELLERS:

By: _____
Name: _____
Title: _____

SIGNATURE OF SPOUSE (IF SELLER IS MARRIED):

By: _____
Name: _____

STATE OF _____)
) SS.
COUNTY OF _____)

On this ____ day of _____, 2017, before me, the undersigned notary, personally appeared _____, _____, and known to me to be the same person whose name is signed on the Stock Purchase Agreement and acknowledged the execution thereof for the uses and purposes therein set forth.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

(SEAL)

Notary Public/Commissioner of Oaths

My Commission Expires _____

[Signature Page to Stock Purchase Agreement]

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement as of the day and year first above written.

SELLERS' AGENT:

[Signature Page to Stock Purchase Agreement]

EXHIBITS

Exhibit A:	Schedule of Sellers
Exhibit B:	Determination and Calculation of Working Capital
Exhibit C:	Disclosure Schedules
Exhibit D:	Intentionally Omitted
Exhibit E:	Shareholders Agreement
Exhibit F:	Form of Stock Power
Exhibit G:	Form of Letter of Transmittal
Exhibit H:	Intentionally Omitted
Exhibit I-1:	Legal Opinion (U.S.)
Exhibit I-2:	Legal Opinion (India)
Exhibit J:	Form of Resignation
Exhibit K:	Tax Filings

**EXHIBIT A
SCHEDULE OF SELLERS**

Series A Preferred Stock Investors				
Seller	Address of Seller	No. of Shares	Pro Rata Share (%)	Ownership in Motif, Inc. (%)
Winston Partners II, LLC	C/o Chatterjee Management Company, 888 Seventh Avenue – 34th Floor, New York, NY 10106	275,000	4.45%	3.11%
Winston Partners L.P.	C/o Chatterjee Management Company, 888 Seventh Avenue – 34th Floor, New York, NY 10106	1,100,000	17.79%	12.45%
Sunil Bates Desai Irrevocable Trust u/a dtd. 07/22/04	c/o Marianne Schmitt Hellauer, DLA Piper US LLP, 6225 Smith Avenue, Baltimore, MD 21209-3600	343,750	5.56%	3.89%
Vanessa H. Desai Irrevocable Trust u/a dtd. 01/03/05	c/o Marianne Schmitt Hellauer, DLA Piper US LLP, 6225 Smith Avenue, Baltimore, MD 21209-3600	343,750	5.56%	3.89%
Ian R.B. Desai Irrevocable Trust u/a dtd. 01/03/05	c/o Marianne Schmitt Hellauer, DLA Piper US LLP, 6225 Smith Avenue, Baltimore, MD 21209-3600	343,750	5.56%	3.89%
The SVI Irrevocable Trust	c/o Marianne Schmitt Hellauer, DLA Piper US LLP, 6225 Smith Avenue, Baltimore, MD 21209-3600	171,875	2.78%	1.95%
Irrevocable Trust #1 for the Descendants of Rohit M. Desai	c/o Marianne Schmitt Hellauer, DLA Piper US LLP, 6225 Smith Avenue, Baltimore, MD 21209-3600	171,875	2.78%	1.95%
5 S Ventures, Llc	4677 OLD IRONSIDE DR #450 SANTA CLARA CA 95054	80,234	1.30%	0.91%
Parikh Family Trust	14260 Berry Hill Ct., Los Altos Hills CA 94022	80,234	1.30%	0.91%
The Jagadeesh Family Trust	14232 SHADY OAKS COURT SARATOGA CA 95070	20,059	0.32%	0.23%

Gunjan Sinha	867 Warren Way PALO ALTO CA 94303	80,234	1.30%	0.91%
Ameesh K. And Shetal A. Divatia	27101 BYRNE PARK LANE LOS ALTOS CA 94022	80,234	1.30%	0.91%
Killer Family Trust	12800 CLAUSEN CT LOS ALTOS HILLS, CA 94022	50,146	0.81%	0.57%
Saraswati Partners, Lp	14240 Berry Hill Court LOS ALTOS HILLS CA 94022	40,117	0.65%	0.45%
Devang Shah Family Trust Dtd 1/3/97	579 Clyde Ave. MOUNTAIN VIEW CA 94043	40,117	0.65%	0.45%
Kumbhani Family Trust Dtd 3/12/99	4921 Eastbourne Ct. SAN JOSE CA 95138	40,117	0.65%	0.45%
Praveen K. Mandal	11031 Eastbrook Ave. LOS ALTOS HILLS CA 94024	40,117	0.65%	0.45%
The Mahajani Family Trust	19389 Kerwin Ranch Ct. SARATOGA CA 95070	20,059	0.32%	0.23%
Parikh Family Trust Dtd 6/10/99	951 Corte Del Sol FREMONT CA 94539	20,059	0.32%	0.23%
Newbury Equity Partners Ii, Lp	100 First Stamford Place STAMFORD CT 06902	10,029	0.16%	0.11%
Virani Family Revocable Trust	720 Stockton St. SAN FRANCISCO CA 94108	20,059	0.32%	0.23%
Piyush And Tejal Patel	2346 Rutherford Lane FREMONT CA 94539	20,059	0.32%	0.23%
The Pereira Family Trust	14765 Live Oak Lane SARATOGA CA 95070	20,059	0.32%	0.23%
Pillalamarri-Ghatak Trust	28037 Arastradero Rd. LOS ALTOS HILLS CA 94022	20,059	0.32%	0.23%
Zeton Partnership	20391 Wolcot Way SARATOGA CA 95070	20,059	0.32%	0.23%
Diamond Belgian Partners	497 Fieldstone Dr. NOVATO CA 94945	16,047	0.26%	0.18%
Fred And Riza Ong	1973 Newcastle Dr. LOS ALTOS CA 94024	16,047	0.26%	0.18%
The Akshay Madhani Irrevocable Trust	19628 Kenosha Court SARATOGA CA 95070	12,035	0.19%	0.14%

Ajaib Bhadare	3852 Skyfarm Drive SANTA ROSA CA 95403	40,117	0.65%	0.45%
Ammar H. Hanafi	13571 Hill Way LOS ALTOS HILLS CA 94022	10,029	0.16%	0.11%
Y. Arthur Lin And Evangeline M. Lee	20175 Orchard Meadow Drive. SARATOGA CA 95070	10,029	0.16%	0.11%
Bhadresh J. Shah	1326 MICHILLINDA AVENUE ARCADIA CA 91006	14,041	0.23%	0.16%
Shah 2000 Children's Irrevocable Trust - FBO Curran Shah	13818 La Paloma Road LOS ALTOS HILLS CA 94022	10,029	0.16%	0.11%
Dhimant N. And Dimple D. Bhayani	12247 Crayside Lane SARATOGA CA 95070	10,029	0.16%	0.11%
Dr Viren Mehta And Amita Roddman	61 Jane St. NEW YORK CITY NY 10014	10,029	0.16%	0.11%
Greg Finley	635 CAMPBELL TECHNOLOGY PKWY. CAMPBELL CA 95008	10,029	0.16%	0.11%
Haresh And Vina Patel	21494 Continental Circle SARATOGA CA 95070	10,029	0.16%	0.11%
Killer Children'S Trust-A	12800 CLAUSEN CT LOS ALTOS HILLS, CA 94022	5,015	0.08%	0.06%
Killer Children'S Trust-B	12800 CLAUSEN CT LOS ALTOS HILLS, CA 94022	5,015	0.08%	0.06%
Lynette M. Mandal	11031 Eastbrook Ave. LOS ALTOS CA 94024	10,029	0.16%	0.11%
Mahmood Panjwani And Shamshad Rashid	85 Southdown Ct. HILLSBOROUGH CA 94010	10,029	0.16%	0.11%
Manoj And Suman Goel	21537 Saratoga Heights Dr. SARATOGA CA 95070	10,029	0.16%	0.11%
Mnf Ventures	12010 ELSIE WAY LOS ALTOS HILLS CA 94022	16,047	0.26%	0.18%
Pankaj And Smita Patel Family Trust Dtd 12/9/99	10915 Miramonte Rd. CUPERTINO CA 95014	20,059	0.32%	0.23%
Parikh Children'S Trust DTD 12/23/95 TRUST A	14260 Berry Hill Ct., Los Altos Hills CA 94022	10,029	0.16%	0.11%

Parikh Children'S Trust DTD 12/23/95 TRUST B	14260 Berry Hill Ct., Los Altos Hills CA 94022	10,029	0.16%	0.11%
Parth Shah Irrevocable Trust	579 Clyde Ave. MOUNTAIN VIEW CA 94043	5,015	0.08%	0.06%
Kanaai Shah Irrevocable Trust	579 Clyde Ave. MOUNTAIN VIEW CA 94043	5,015	0.08%	0.06%
Premchand And Sandhya Jain	45269 Rutherford Terrace FREMONT CA 94539	10,029	0.16%	0.11%
Rajesh N. Shah	242 W. Hunter Lane FREMONT CA 94539	10,029	0.16%	0.11%
Ramesh Radhakrishnan And Ritu Saini	21100 SULLIVAN WAY SARATOGA CA 95070	7,239	0.12%	0.08%
Clyde Ray Wallin And Marcia	15288 PEACH HILL ROAD SARATOGA CA 95070	10,029	0.16%	0.11%
Roger J. Attick	626 Paso Fino Trail CEDAR PARK TX 78613	10,029	0.16%	0.11%
Sonny And Madhu Gulati	2736 Comstock Circle BELMONT CA 94002	10,029	0.16%	0.11%
Asana Investments LLC	9813 NE 15 St. Bellevue, WA 98004	10,029	0.16%	0.11%
Kumar B. And Dipti K. Mehta	19111 Barnhart Ave. CUPERTINO CA 95014	10,029	0.16%	0.11%
Apurva B. Mehta	19111 Barnhart Ave Cupertino CA 95014	10,029	0.16%	0.11%
Bipin A. Shah & Rekha B. Shah	15 NORTHRIDGE LANE LAFAYETTE CA 94549	10,029	0.16%	0.11%
Jasbir And Anjana K. Singh	44227 Hunter Place FREMONT CA 94539	10,029	0.16%	0.11%
Rajesh And Rohini Vashist	10699 MAGDALENA ROAD LOS ALTOS HILLS CA 94024	3,781	0.06%	0.04%
Prashant Parekh	44249 Hunter Place FREMONT CA 94539	12,035	0.19%	0.14%
G. Arjavalingham	20172 Glen Brae Drive SARATOGA CA 95070	10,029	0.16%	0.11%
Goel Family Ventures I LP	98 Ridgeview Dr. ATHERTON CA 94027	80,234	1.30%	0.91%

Pooneet Goel	98 Ridgeview Dr. ATHERTON CA 94027	10,029	0.16%	0.11%
Priyanka Goel	98 Ridgeview Dr. ATHERTON CA 94027	10,029	0.16%	0.11%
Patel Family Trust dtd 2/16/99	628 Paco Drive LOS ALTOS CA 94024	30,088	0.49%	0.34%
Kunal R. Patel Trust dtd 7/8/98	628 Paco Drive LOS ALTOS CA 94024	10,029	0.16%	0.11%
Gcwf Investment Partners II	401 B STREET, SUITE 2000, SAN DIEGO CA 92101	3,009	0.05%	0.03%
Novitas Capital II, L.P.	116 RESEARCH DRIVE BETHLEHEM PA 18015	9,026	0.15%	0.10%
Noor Allah Jooma	PO BOX 113267 CARROLLTON TX 75011	10,029	0.16%	0.11%
Farrokh And Virsis Billimoria	10 Woodleaf Ave. REDWOOD CITY CA 94061	30,088	0.49%	0.34%
Khan-Husain Living Trust	20140 MENDELSON LANE SARATOGA CA 95070	20,059	0.32%	0.23%
Asheem Chandna	60 Linda Vista Ave. ATHERTON CA 94027	4,012	0.06%	0.05%
Pradeep Aswani	2528 QUME DR. SUITE 2 SAN JOSE CA 95131	4,013	0.06%	0.05%
Popli Trust Of 1999	3183 Danielle Ct. LIVERMORE CA 94550	4,013	0.06%	0.05%
Anthelion Capital II, L.P.	3945 Freedom Circle, # 540 Santa Clara CA 95054	30,087	0.49%	0.34%
Bhavin And Manisha Shah	12 Rudratika, Gotila AUDA Garden Ln AHMEDABAD GJ 380059	10,029	0.16%	0.11%
Sridhar Manthani	98, 8th cross road, Sadashivnagar, Bangalore, 560080	275,000	4.45%	3.11%
Govind Kizhepat	Govind Kizhepat, 24201 Hillview Rd, Los Altos Hills, CA 94024	275,000	4.45%	3.11%

The Mehta Family Revocable Living trust	Aatman, Near Cosmos Castle School, Makarba, Ahmedabad, India	275,000	4.45%	3.11%
F & W Investment LLC	Fenwick & West LLP Partner, Corporate Group, 801 California Street, Mountain View, CA 94041	275,000	4.45%	3.11%
The Sunil Nanda and Anita Nanda 2012 Dynasty Trust	Mr. Sunil Nanda, 1077, 12th Main HAL 2nd Stage, Indiranagar, Bangalore 560038	275,000	4.45%	3.11%
Total For Series A Preferred Stock Investors		5,500,000	88.93%	62.25%

Former Employees				
Seller	Address of Seller	No. of Shares	Pro Rata Share (%)	Ownership in Motif, Inc. (%)
Robert Kaplan	75 Fleur Place Atherton, CA 94027	200,000	3.23%	2.26%
Chris Meneze	1655, Grant Road, Mountain View, CA-91040, US	250,012	4.04%	2.83%
John R. Coker and Martina H. Coker	85-5 Mountain Top Raod, Bernardsville, NJ 07924, US	120,520	1.95%	1.36%
Suzanne Hortan	88 Rogers Drive, Landing, NJ 07850, US	6,667	0.11%	0.08%
Johnson Skariah	C-19, Nidhishri Society, Near Mahavir Nagar Society, PO Sabarmati, Ahmedabad	2,395	0.04%	0.03%
Kameshwaran Iyer	A/5, Shivanand Apartment, Behinde Shiv Tower, Satellite Road, Ramdev Nagar, Ahmedabad	4,513	0.07%	0.05%

Pallav Parikh	202, Jaydeep Tower, Near Shreyas Crossing, Paladi, Ahmedabad	3,090	0.05%	0.03%
Vikas Singh	240/1, Paggi Vas, Near Gram Panchayat, Vastrapur Gam, Ahmedabad, Current: - Ward no. 4, Gol Bazar Municipality, Dist. Siraha, Zone Sagarmatha, Nepal	2,812	0.05%	0.03%
Sohil Parekh	604/B, Sagar Samrat Flats, Old Sharda Mandir Road, Ellis Bridge, Ahmedabad.	4,791	0.08%	0.05%
Sunil Bhagiani	G-7, Ashray Flats, Hansol Road, Sardarnagar, Ahmedabad	4,200	0.07%	0.05%
Jigar Patel	B/8 Minita Apartments, Near Swati Society Bus Stand, Ishwar Bhuwan Road, Navrangpura, Ahmedabad - 380 009	5,400	0.09%	0.06%
Niraj Arora	A-42, Goyal Terrace, Near Judges Bungalows, Bodakdev, Ahmedabad	1,250	0.02%	0.01%
Aashish Pandya	No.8, Chandra Appartments, Paras Nagar, Shola Raod, Naranpura, Ahmedabad	750	0.01%	0.01%
Meghna Dalwadi	18, River Colony, Opp. St. Xaviers Collage, Navrangpura, Ahmedabad - 380 009	560	0.01%	0.01%
Nabo Biswas	66, Ghanshyam Park Society, Haripura Housing Road, Maningar East, Ahmedabad	7,180	0.12%	0.08%
Vishal Patel	7/1, Krishna Flats, Near Maharaja Flats, Opp. Maninagar Police Station, Ahmedabad	5,000	0.08%	0.06%

Deependra Bisht	181, Phase II, Vasanat Vihar, Dehradun, Utarranchal, Current: - #8, Blooming Hill B, Springhill Golf Residence, Kemayoran, Jakarta - 14410, Indonesia	5,300	0.09%	0.06%
Chirag Shah	A/33, Goyal Park Apartment, Opp. Lad Society, Vastrapur, Ahmedabad, Current:- 6 Rushil Bungalows, Near Aarohi Twins Bungalows, Govt. Tube well lane, Bopal - 380 058	5,000	0.08%	0.06%
Rejo Job	B/104, Sagun Caasa Nr. Prernatirth Derasar, Opp. Star Bazar Ahmedabad	5,000	0.08%	0.06%
Samir Parekh	12-A, Abodana Bunglows, Basant Bahar Road, South Bopal, Ahmedabad-380 058	50,000	0.81%	0.57%
Total For Former Employees		684,440	11.07%	7.75%

EXHIBIT B
Determination and Calculation of Working Capital

The Closing Statement will be prepared in accordance with IFRS, and Closing Working Capital shall be calculated as Current Assets minus Current Liabilities; provided that (i) (A) Closing Cash and (B) net operating losses (and any relating tax benefits) arising from or relating to the transactions under or relating to the Agreement and Ancillary Agreements all shall be excluded as Current Assets, and (ii) (A) Transaction Expenses and (B) the Indebtedness arising from the Founders' Closing Bonus all shall be excluded as Current Liabilities. However, consistent with the methodology utilized to set the Target Closing Working Capital, the deposits with vendor/landlord included in the Other Non-Current Assets line item shall be included in the Closing Working Capital.

Calculation of Working Capital is presented below as of 31 March 2017 for illustrative purposes solely.

Adjusted Working Capital Calculation	As on 31st March 2017 (USD '000)
(a) Trade Debtors / Accounts Receivable excluding Old AR as on Closing Date	\$4,683.5
(b) Operating Loans & Advances as on Closing Date	\$1,603.6
(c) Trade Creditors / Accounts Payable as on Closing Date	(\$356.0)
(d) Operating Current Liabilities as on Closing Date	(\$1,611.5)
(e) Outstanding Tax Balance as on Closing Date	(\$805.9)
Adjusted Working Capital	\$3,513.7

Where,

Calculation of (a) – Trade Debtors / Accounts Receivable	As on 31st March 2017
Trade Debtors against services provided or invoices issued	\$4683.5

Calculation of (b) – Operating Loans and Advances	As on 31st March 2017 (USD '000)
Loans or Advance recoverable in cash or in kind from employees or any	\$472.7
Tax Receivables (GST, Service Tax, Input VAT)	\$53.6
Prepaid Expenses	\$119.9
Prepaid Rent	\$1.2
Prepaid Insurance	\$6.5
Prepaid Other Expenses	\$29.8
Advance Bonuses given for the financial years 2016-17 and 2017-18	\$367.1
FD for custom bonding	\$7.0
Deposits given to Landlords, Vendors or any third party	\$253.8
Debtors	\$12.0
Loan to Employees	\$0.0
Advance Rental	\$0.1
Short Term Investment (PEZA Deposit)	\$171.3
Other Non-Current Assets*	\$112.1
Discount on HTM	(\$3.5)
Operating Loans and Advances	\$1,603.6

*includes deposits with vendor/landlord, which are classified and named as non-current assets for financial statement presentation purpose but are operating assets, and therefore, considered a part of the working capital

Calculation of (c) – Trade Creditors / Accounts Payable	As on 31st March 2017
Trade Creditors against supplies / services received or invoices booked	(\$356.0)

Calculation of (d) – Operating Current Liabilities	As on 31st March 2017 (USD '000)
Salary Payable to Employees (including Accrued 13 th month pay)	(\$738.4)
Employee related payables and all statutory outstanding payments (ESI, PF, TDS, Medical expense payable, Professional tax, Fringe Benefit tax, Medicare, Pag-ibig, SSS/ECC)	(\$142.4)
Tax Liabilities (GST, Service Tax)	(\$15.8)
Provision for Bonuses & Gratuity due and payable within a year	(\$252.4)
Reimbursement of expenses from clients	(\$73.5)
Accounts and Expenses Payable	(\$120.6)
Leave Liability due and payable within a year	(\$83.0)
Withholding Tax (Expanded, Compensation)	(\$52.9)
Key Statutory Loans Payable	(\$5.1)
Leave Encashment due and payable within a year (Accrued SL/VL expenses)	(\$66.1)
Any Other Payables or Liabilities	(\$61.2)
Operating Current Liabilities	(\$1,611.5)

Calculation of (e) – Outstanding Tax Balance	As on 31st March 2017 (USD '000)
Advance Income Tax for the previous years and current year	\$2,796.3
TDS Receivable for the previous years and current year	\$409.8
Prepaid Federal and State Tax	\$3.0
Outstanding tax payables for the previous years	(\$1,496.0)
Provision for tax for the current year	(\$2,516.8)
Current Tax Liability (US)	(\$2.2)
Outstanding Tax Balance	(\$805.9)

EXHIBIT F
Form of Stock Power

The undersigned transferor hereby assigns and transfers unto the transferee indicated below the number of shares of capital stock of Motif, Inc., a California corporation (the "Company"), standing in the undersigned's name on the books of said Company, and does hereby irrevocably constitute and appoint TeleTech Services Corporation (or its designee) attorney to transfer the said stock on the books of the said Company with full power of substitution in the premises:

<i>Transferee</i>	<i>Transferor</i>	<i>Category of Transferor (Series A Investor or Common Stock Holder)</i>	<i>Stock Certificate Number</i>	<i>Number of Shares (Series A Preferred Stock or Common Stock)</i>
TeleTech Services Corporation				
<i>Total</i>				

Transferor:

By: _____

Name: _____

Title: _____

Dated: _____

EXHIBIT I-1

Form of Legal Opinion (U.S.)

EXHIBIT J
Form of Resignation

J-1

EXHIBIT K
Tax Filings

1. The Buyer shall withhold and deposit appropriate taxes with the Indian government treasury (specifically Indian tax authorities) in respect of the following shareholders:

Name of the shareholder	No of shares held and being transferred	Sales consideration
1. Winston Partners II, LLC	275,000	
2. Winston Partners L.P.	1,100,000	

- Taxes shall be withheld at the rate of 10.815% (10% tax rate plus 2% or 5% surcharge (as applicable) and 3% education cess) of the capital gains (i.e. sales consideration less cost of acquisition of shares in the Company) as per the tax computation statement obtained by the above mentioned Sellers from one of the Big 4 accounting firms.
- The taxes so withheld shall be deposited with the Indian government treasury (especially Indian tax authorities) and the Buyer shall be obligated to file a withholding tax return in Form 27Q within the prescribed timeline and provide a withholding tax certificate in Form 16A to the above mentioned Sellers for claiming credit of taxes so withheld.
- In respect of the above mentioned shareholders, Motif India shall be obliged to file Form No. 49D electronically under digital signature to the Indian tax authority within a period of 90 days from the end of the financial year in which the transfer of shares of the Company takes place.
- Apart from the above mentioned shareholders, Company covenants that the provisions of section 9(1)(i) of the Income Tax Act, 1961 are not applicable to any other shareholders of the Company. Accordingly, no taxes need to be withheld by the Buyer on payment of sales consideration on transfer of shares of the Company except as to the above shareholders listed on this Exhibit K.

Schedule 3.1(c): Consents to be Obtained by Closing

1. Collection Services Agreement between Motif India Infotech Private Limited and eBay Inc. dated December 1, 2014
 2. Master Services Agreement between Motif India Infotech Private Limited and eBay India Private Limited dated December 22, 2015, as assigned to ES Online Services (India) Private Limited on July 25, 2017
 3. Master Services Agreement between Motif India Infotech Private Limited and AirBNB, Inc. and AirBNB Ireland dated May 16, 2016
 4. Master Services Agreement between Motif India Infotech Private Limited and eBay Inc. dated September 8, 2017
-

Schedule 3.1(d): Agreements and Plans to be Terminated by Closing

1. Voting Agreement dated August 25, 2000, as amended to date.
 2. Investors' Rights Agreement dated August 25, 2000, as amended to date.
 3. 2012 Stock Plan and all stock option grant letters, all option agreements and other agreements relating to the 2012 Stock Plan.
 4. Motif, Inc. 2002 Equity Incentive Plan and all stock option grant letters, all option agreements and other agreements relating to the 2002 Stock Plan.
 5. Series A Preferred Stock Purchase Agreement, dated August 25, 2000, by and among Motif, Inc., the Investors listed on Schedule A thereto, Kaushal Mehta and Parul Mehta.
 6. Co-Sale Agreement dated August 25, 2000, as amended to date.
 7. Letter agreement with The Chatterjee Group dated August 25, 2000 regarding observation rights.
-

Schedule 5.8

Entity Name	Employee Name (All Employees are in the Philippines)	Loan Outstanding as on 30th Sept 2017 (in USD\$)	# of Options Held	Balance Loan Outstanding As of Closing (in USD\$)
Motif Philippines	Joelita Bufete and Annie Pineda	\$180,261	23,000	\$0
	Magboo, Lirio Mauleon	\$1,530	3,000	\$0
	Toreno, Gercie Casuela	\$1,412	2,000	\$0
	Morales, Allex Ramos	\$1,167	1,000	\$0
	Castro, Edward Sonny Lorenzo	\$514	2,000	\$0
	Joy Abis	\$450	0	\$450
	Cajote, Romar Domingo	\$360	1,000	\$0
	Buenaventura, Jay	\$150	0	\$150
	Total	\$185,844		\$600

SHAREHOLDERS' AGREEMENT

THIS SHAREHOLDERS' AGREEMENT (this "Agreement") is made as of November __, 2017 (the "Signing Date"), by and among Kaushal Mehta, an individual, Parul Mehta, an individual, The Ishan Mehta Irrevocable Trust, The Anishi Mehta Irrevocable Trust (Kaushal Mehta, Parul Mehta, The Ishan Mehta Irrevocable Trust, The Anishi Mehta Irrevocable Trust and any trust or trusts (or other Persons) that hold Company Shares transferred from the foregoing individuals and trusts, collectively "Founders" and individually each a "Founder"), and TeleTech Services Corporation, a Colorado corporation ("Buyer").

RECITALS

WHEREAS, pursuant to a Stock Purchase Agreement dated as of the date hereof by and among Founders, Buyer and the other parties named therein (the "Stock Purchase Agreement"), Buyer is acquiring seventy percent (70%) of the outstanding shares of capital stock of Motif, Inc., a California company (the "Company").

WHEREAS, Founders own 2,650,476 shares of the Company's common stock (the "Founder Shares"). For purposes of clarity, Founder Shares shall include any and all shares of the Company's common stock or other Company securities held of record or beneficially by the Founders and their Affiliates as of the Signing Date or thereafter acquired.

WHEREAS, Founders have agreed to sell all of their Founder Shares to Buyer, and Buyer has agreed to purchase all of the Founder Shares from Founders, in accordance with the terms of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements herein contained, and intending to be legally bound hereby, the Parties hereto hereby agree as follows:

SECTION 1. DEFINITIONS

For purposes of this Agreement, the following terms shall have the meanings set forth below. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Stock Purchase Agreement.

"Adjusted Normalized EBITDA" shall have the same meaning as defined in Exhibit C of this Agreement.

"Affiliate" shall have the meaning set forth in the Stock Purchase Agreement.

"Big Four" means any of the following accounting firms: Deloitte, PricewaterhouseCoopers, EY, and KPMG.

"Business" shall have the meaning set forth in the Stock Purchase Agreement.

"Business Day" shall have the meaning set forth in the Stock Purchase Agreement.

“Change in Control” means (i) the acquisition of TTH or Buyer by another entity (not owned directly or indirectly by TTH) by means of any transaction or series of related transactions to which Buyer or TTH or their security holders are a party (including, without limitation, any stock acquisition, reorganization, merger or consolidation) other than a transaction or series of transactions in which the holders of the voting securities of Buyer or TTH (or any intermediate subsidiaries) outstanding immediately prior to such transaction retain, immediately after such transaction or series of transactions, as a result of shares or other equity securities in Buyer or TTH (as applicable) held by such holders prior to such transaction, a majority of the total voting power represented by the outstanding voting securities of Buyer or TTH (as applicable) or such other surviving or resulting entity (or if Buyer or TTH or such other surviving or resulting entity is a wholly owned subsidiary immediately following such acquisition, any of their parents); (ii) a sale, lease or other disposition (including by exclusive license) of all or substantially all of the assets and/or intellectual property assets of Buyer or TTH (as applicable) 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 of Buyer or TTH (or any intermediate subsidiaries); (iii) the sale or disposition (whether by merger, consolidation or otherwise) of one or more subsidiaries of Buyer or TTH if substantially all of the assets of Buyer or TTH (as applicable) and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned direct or indirect subsidiary of Buyer or TTH (as applicable); (iv) the sale, transfer or other disposition (except a security interest or similar Lien) by Buyer of a majority of the Company Shares to a third party (except for sales, transfers or other dispositions to Affiliates of TTH); or (v) the dissolution or liquidation of Buyer or TTH except for the benefit of creditors or in the event of bankruptcy or such similar proceeding for the benefit of Buyer’s or TTH’s creditors.

“Closing of SHA Transactions” means the sale and transfer by Founders of all Founder Shares to Buyer and the closing of the other transactions contemplated hereunder (including payment of the Purchase Price).

“Closing Date” means (i) with respect to Event 1, the date set forth in Section 5.3(a), (ii) with respect to Event 2, the date set forth in Section 5.3(b), (iii) with respect to Event 3, the date set forth in Section 5.3(c), and (iv) with respect to Event 4, the date set forth in Section 5.3(d).

“Disability” means a Founder’s inability to perform his or her duties, with or without reasonable accommodation, for at least eighty (80) consecutive Business Days in any 12 month period as a result of a physical, emotional, mental and/or other impairment.

“EBITDA” means earnings before interest, taxes, depreciation and amortization, and shall include and reflect all cost of goods sold, sales, general and administrative overhead expenses, deal specific variable sales costs and expenses (including but not limited to sales commissions, travel and entertainment), and all other operating expenses. Individual elements and components of the EBITDA calculation will be determined in accordance with the Company’s financial statements which shall be based upon GAAP.

“Enterprise Services” means corporate enterprise level support and shared services, including finance, accounting, IT, legal, global sourcing, human resources, talent acquisition, internal audit, risk management, insurance, treasury, compliance, and tax functions, and other ordinary course back office support for the Company.

“Excess Cash” means the amount of cash (i) as of March 31, 2020 for Event 1 and (ii) on the first (1st) Business Day prior to the Closing Date for Events 2, 3 and 4, in the Company’s, and all of its wholly-owned subsidiaries’, bank accounts, less the sum of (A) the amount of all applicable taxes and required withholdings assuming that such cash will be distributed as a dividend from the Indian Subsidiary back to the Company, and (B) the amount of cash, as mutually and reasonably determined by Buyer and Founders, as is reasonably sufficient to continue to run the operations of the Company.

“FY18” means the 12 months ending at March 31, 2018.

“FY19” means the 12 months ending at March 31, 2019.

“FY20” means the 12 months ending at March 31, 2020.

“For Cause Termination” means the right of Buyer to terminate the employment of either (or both) Founder for (A) any acts or omissions involving fraud, misappropriation, or embezzlement of Company, Buyer’s or TTH’s assets or property, conviction of, or indictment for, a felony or crime of moral turpitude (hereinafter “Event 3A”), or (B) a performance deficiency which shall be deemed to have occurred if Adjusted Normalized EBITDA is less than \$7.38 million for FY18 or less than \$10.86 million for FY19; provided that solely for purposes of calculating Adjusted Normalized EBITDA in order to determine whether “For Cause Termination” occurs, income, gains, losses, revenue and expenses arising from extraordinary, one-time events (including, but not limited to war, hurricanes, earthquakes and other uncontrollable natural disasters (hereinafter “Event 3B”); provided, further, that solely for purposes of this clause (B) and no other purposes hereunder, Adjusted Normalized EBITDA shall be adjusted to reflect changes from the following currency exchange rates: 1 USD = 64 INR and 1 USD = 50 PHP; and further provided that Buyer shall not have a right to terminate the employment of either (or both) Founder in the event that Buyer or its non-Company Affiliate is the primary cause of the circumstance set forth in items (A) or (B).

“Founder Exit” means that (a) neither Parul Mehta nor Kaushal Mehta is employed by the Company as a result of death, termination for Disability or voluntary resignation, and, only in the event that clause (a) is true, (b) Buyer elects, in its sole discretion, to purchase all Founder Shares by delivering written notice (within 30 days of the first day that clause (a) is true) (“Buyer’s Notice”) to Founders of Buyer’s intent to purchase all Founder Shares within 60 days of Buyer’s written notice.

“GAAP” means United States generally accepted accounting principles (as consistently applied by Company throughout the periods involved to the extent such practices are consistent with an in accordance with United States generally accepted accounting principles).

“Governance Plan” means the document attached hereto as Exhibit E.

“Governmental Authority” shall have the meaning set forth in the Stock Purchase Agreement.

“IFRS” shall have the meaning set forth in the Stock Purchase Agreement.

“Indian Subsidiary” means Motif India Infotech Pvt. Ltd., an India corporation.

“Interim Period” means the period of time between the Signing Date and the Closing of SHA Transactions.

“Issuer Related Person” means any Person which has been a customer, supplier, distributor, reseller or independent contractor of TTH, Buyer or Company or their direct or indirect subsidiaries or parents during the twelve (12) month period prior to the time in question.

“Law” shall have the meaning set forth in the Stock Purchase Agreement.

“Motif Exclusive Verticals” shall mean verticals (i) Travel (Online Travel Agencies, Airlines, Hospitality Companies, Hotels, Car Rentals, etc.) and (ii) Internet / eCommerce / Online Marketplace (for example, (a) the online marketplaces of Google, Facebook, Amazon, Walmart.com, Macys.com, etc. and (b) Online Payment Companies).

“Normalized EBITDA” shall have the same meaning as defined in Exhibit B of this Agreement.

“Order” shall have the meaning set forth in the Stock Purchase Agreement.

“Parties” (collectively) or “Party” (individually) shall refer to each of Founders and/or Buyer.

“Person” shall have the meaning set forth in the Stock Purchase Agreement.

“Philippines Branch” means the Company’s Philippines branch office of the Indian Subsidiary.

“TTH” means TeleTech Holdings, Inc., the ultimate parent of Buyer.

“Unique Services” shall have the same meaning as defined in Exhibit D.

SECTION 2. COVENANTS DURING INTERIM PERIOD

2.1 Employment of Founders. The terms of Founders employment with Company during the Interim Period shall be set forth in an employment agreement between each Founder and the Company, the terms of which will prohibit Company from terminating either Founder at any time prior to the Closing of the SHA Transactions other than a For Cause Termination or Disability.

2.2 Company Operations. During the Interim Period (or until either Founder (Kaushal or Parul Mehta) is no longer employed by the Company if earlier), Founders and Buyer agree as follows with respect to the Company's Business:

(a) Integration. Buyer shall use commercially reasonable efforts to integrate the Company's Business with Buyer's operations. Buyer and Founders shall mutually determine (subject to and based upon the Governance Plan) whether to place new business in or with Buyer's or Company's locations, employees and/or personnel, based in part on cost information from Buyer provided at that time, including information on Buyer's available seat capacity and associated lease costs, human resource recruitment fees, and other relevant factors; provided however that it is agreed that Founders shall have authority to make reasonable, good faith determinations with respect to the Company's Philippines' locations, and make reasonable, good faith delivery decisions for the Company's current and new clients in the Philippines (but not the existing or new clients of Buyer or its other Affiliates), subject to Founders' compliance with Buyer's policies and procedures for budget and procurement approvals for all operating and capital expenses and compliance with applicable Laws and Buyer's other policies and procedures. Neither Founders, nor Buyer nor Company shall take any action, nor shall Buyer or Company require Founders to take actions on behalf of the Company, which are reasonably likely to result in a material adverse impact on Adjusted Normalized EBITDA. Buyer and Founders shall mutually determine, subject to and based on the Governance Plan, which business the Company shall accept during the Interim Period (or until either Founder is no longer employed by the Company if earlier).

(b) Governance. Buyer currently intends to integrate the Company into Buyer's Customer Management Services (CMS) organization and its existing operations through a planned and implemented integration process developed by Buyer and the Company. Buyer currently intends to leverage its existing marketplace presence, capital strength, global sales group, marketing, human capital, legal, finance and accounting, technology and operations infrastructure where commercially reasonable with a goal of helping the Company become more competitive and profitable in its markets. Buyer will not mandate any additional technology or overhead costs to the Company, unless such additional technology or overhead costs would be (i) to benefit the Company's client delivery metrics or (ii) for compliance purposes.

(c) Sole Remedy. If Buyer breaches or violates this Section 2.2 or the Governance Plan, the sole remedy of Founders shall be an adjustment to Adjusted Normalized EBITDA to the extent of the damages directly caused by the Buyer's breach or violation of this Section 2.2 (but excluding all consequential and indirect damages).

(d) Plan. The Parties agree that the Governance Plan (Exhibit F) are incorporated by reference into this Section 2.2(d).

(e) Founders' Action. Any actions taken or omitted to be taken by or on behalf of the Company either (i) at the direction or under the supervision of Founders or (ii) without written directives or orders from Buyer or TTH or their respective officers, in either case, shall not be deemed to be breaches of this Agreement by the Company or Buyer.

(f) Buyer's Financial Resources. Buyer shall have access to sufficient financial resources in order to purchase the Founders Shares as contemplated hereunder.

2.3 Founder Shares. Other than pursuant to Section 5, Founders shall not, directly or indirectly, sell, assign, transfer, dispose of or otherwise encumber the Founder Shares. At the Closing of SHA Transactions, Founders shall ensure that there are no Liens on the Founder Shares. Notwithstanding the first sentence of this Section 2.3, each Founder shall be permitted to transfer their Founder Shares to one (1) or more trusts solely controlled by Kaushal Mehta and Parul Mehta and for the sole benefit of them and their descendants, or solely for the benefit of their descendants (the "Trusts"), provided that (a) such transfers shall be made in accordance with all Laws, (b) such transfers shall be made subject to any restrictions, obligations and agreements placed on the Founder Shares in this Agreement and any other applicable agreement, and (c) the Founders shall pay all costs and expenses of the Company incurred in connection with such transfers and (d) any transfers to such trusts shall require the written consent of Buyer (which consent shall not be unreasonably withheld or delayed); provided, further, that no transfers shall be attempted, effective or consummated until such transferee delivers to Buyer an executed counterpart signature page to and becomes a "Founder" under this Agreement and provides other assurances as reasonably requested by Buyer. In addition, Founders will include the following provision in any Trust to which Founder Shares are transferred: "With reference to that certain Shareholders' Agreement (the "Agreement") dated November __, 2017, by and between Kaushal and Parul Mehta, husband and wife, Motif and TeleTech Services Corporation, a Colorado corporation, the Trustee of this Trust is authorized and directed to carry out the terms of said Agreement concerning the Trust's interest in Motif, Inc., a California corporation then held as part of the trust estate and is authorized and directed to execute all documents and take all further actions necessary or appropriate to comply with the Agreement."

2.4 Board of Directors; Observer Rights. Notwithstanding anything to the contrary contained in the Company's bylaws, during the Interim Period (or until either Founder is no longer employed by the Company if earlier), Founders and Buyer agree as follows:

(a) Board Composition. Each of the Parties agrees to vote, or cause to be voted, all shares of Company capital stock ("Shares") owned by such Party, or over which such Party has voting control, from time to time and at all times, in whatever manner as shall be necessary to ensure that at each annual or special meeting of shareholders at which an election of directors is held or pursuant to any written consent of the shareholders, the following persons shall be elected to the Company's Board of Directors (the "Board"): (i) two (2) individuals designated by Buyer and (ii) one (1) individual designated by all of the Founders (who shall initially be Kaushal Mehta).

(b) Failure to Designate a Board Member. In the absence of any designation from the Persons or groups with the right to designate a director as specified above, the director previously designated by them and then serving shall be reelected if still eligible to serve as provided herein.

(c) Removal of Board Members. Each Party also agrees to vote, or cause to be voted, all Shares owned by such Party, or over which such Party has voting control, from time to time and at all times, in whatever manner as shall be necessary to ensure that:

- (1) no director elected pursuant to Section 2.4(a) of this Agreement may be removed from office unless such removal is directed or approved by the affirmative vote of the Person(s) entitled under Section 2.4(a) to designate that director;
- (2) any vacancies created by the resignation, removal or death of a director elected pursuant to Section 2.4(a) shall be filled pursuant to the provisions of Section 2.4(a); and
- (3) upon the request of any Party entitled to designate a director as provided in Section 2.4(a) to remove such director, such director shall be removed.

All Parties agree to execute any written consents required to perform the obligations of this Agreement, and the Company agrees at the request of any Party entitled to designate directors to call a special meeting of shareholders for the purpose of electing directors.

(d) No Liability for Election of Recommended Directors. No Party, nor any Affiliate of any Party, shall have any liability as a result of designating a person for election as a director for any act or omission by such designated person in his or her capacity as a director of the Company, nor shall any Party have any liability as a result of voting for any such designee in accordance with the provisions of this Agreement.

(e) Observer Rights. In the Interim Period, Founders shall have the right, from time to time, to nominate one individual to be invited to attend all meetings of the Board in a nonvoting observer capacity (the "Founders' Board Observer", who shall initially be Parul Mehta) and, in this respect, the Company shall provide the Founders' Board Observer with copies of all notices, minutes, consents, and other materials that it provides to its directors at the same time and in the same manner as provided to such directors; provided, however, that the Company reserves the right to exclude the Founders' Board Observer from access to any material or meeting or portion thereof if the Company believes that such exclusion is reasonably necessary to (i) preserve the attorney-client privilege, (ii) protect confidential or proprietary information, or (iii) avoid a conflict of interest; provided further the Founders' Board Observer must first execute a confidentiality agreement with the Company (in its reasonable discretion) as a condition to providing the Founders' Board Observer with the rights under this Section 2.4(e).

In the Interim Period, Buyer can appoint an individual (who initially will be Arthur Nowak) to attend all meetings of the Board in a nonvoting observer capacity; provided, however, that the Company reserves the right to exclude him or her from access to any material or meeting or portion thereof if the Company believes that such exclusion is reasonably necessary to (i) preserve the attorney-client privilege, (ii) protect confidential or proprietary information, or (iii) avoid a conflict of interest; provided further that such observer must first execute a confidentiality agreement with the Company (in its reasonable discretion) as a condition to providing him or her with the rights under this Section 2.4(e).

(f) Termination. The provisions of this Section 2.4 shall terminate upon the earliest (the "Covenant Termination Date") of (i) the expiration or termination of the Interim Period, (ii) until either Founder is no longer employed by the Company, or (iii) Kaushal and Parul Mehta

and the Trusts do not own, directly or indirectly, at least 15% of the outstanding Shares in the aggregate.

2.5 Amendment and Restatement of Articles of Incorporation and Bylaws.

(a) Promptly following the Signing Date, the Founders and Buyer agree to amend and restate the Company's the Articles of Incorporation and Bylaws of the Company in the forms of Exhibits G-1 and G-2, respectively.

(b) If requested by Buyer after the Closing of SHA Transactions, Founders shall consent to, vote in favor of and cooperate with respect to the change in the domicile of the Company from California to Delaware (whether effected by merger or other method); provided that the capitalization of the Company shall remain the same after the change in domicile is effected (so that Founders and Buyer retain their pre-domicile economic rights).

SECTION 3. NON-SOLICITATION; CONFIDENTIALITY; NON-COMPETE; TAXES

3.1 Non-Solicitation. Commencing on the Signing Date and continuing until the fifth (5th) anniversary of the Closing Date (the "Covenant Termination Date"), each Founder agrees that he or she shall not, unless acting for the benefit of Buyer or TTH, directly or indirectly: (i) solicit, employ, retain as a consultant, or attempt to entice away any Protected Employee (as hereinafter defined) from Company, Buyer or TTH or their respective Affiliates, or (ii) solicit or attempt to entice away from Company, Buyer or TTH or their respective Affiliates any Issuer Related Person nor encourage any Issuer Related Person from not doing business (or doing less business) with Company, Buyer or TTH or their respective Affiliates; provided that the foregoing shall not be construed to prohibit each Founder or any entity in which any Founder is a part of from making a general solicitation for employment or consulting services through an advertisement in a publication of general circulation or on a website featuring job opportunities that is generally available to the public, or social media sites such as Linked-In, so long as such solicitation is not specifically directed at officers, employees or consultants of Company, Buyer or TTH or their respective Affiliates. As used herein, "Protected Employee" shall mean any then current or former employee or officer of Company, Buyer or TTH or their Affiliates during the period in which the covenants set forth in this Section 3.1 are in effect, but excluding persons who were not employed by Company, Buyer or TTH or their respective Affiliates during the 12-month period preceding the date on which a determination is made regarding whether a person is a Protected Employee. The length of time for which this non-solicitation covenant (and the non-competition covenant below) shall be in force shall be deemed extended during any period of violation or any other period required for litigation during which Buyer or TTH or any of their respective Affiliates seeks to enforce this Section 3.1. In the event that the covenants contained in this Section 3.1 shall be determined by any court of competent jurisdiction to be unenforceable by reason of it extending for too long a period of time or by reason of it being too extensive in any other respect, it shall be interpreted to extend only over the longest period of time for which it may be enforceable, and/or to the maximum extent set forth herein in all other aspects as to which it may be enforceable, all as determined by such court in such action.

3.2 Confidentiality. From and after the Signing Date, each Founder shall keep confidential and not disclose to any Person other than Company, Buyer and TTH and their respective

subsidiaries and advisors or use for their own benefit or the benefit of any other Person any trade secrets or other confidential or proprietary information in their possession or control regarding Company, Buyer or TTH or their respective Affiliates and their respective operations. The obligations of Founders under this Section 3.2 shall not apply to information which (i) is or becomes generally available to the public or is generally known within the industry without breach of the commitment provided for in this Section 3.2 or is obtained from a third party without the recipient's knowledge of a breach of such third party's confidentiality obligations; or (ii) is required to be disclosed by Law or Order; provided, however, that, in any such case, such Founder, if permitted, shall notify Company, Buyer and TTH as early as reasonably practicable prior to disclosure to allow Company, Buyer and TTH to take appropriate measures to preserve the confidentiality of such information.

3.3 Non-competition. From the Signing Date until the fourth (4th) anniversary of the Closing Date, each Founder agrees that he shall not, unless acting as an officer or employee of, or consultant to, Company, Buyer or TTH or their respective subsidiaries, directly or indirectly, own, manage, operate, join, control or participate or engage in the ownership, management, operation or control of, or financing of, or serve as an officer, director, employee, partner, principal, consultant, owner, investor, operator, manager, advisor, representative or otherwise, either directly or indirectly (a) anywhere in the world with respect to Unique Services, or (b) in the Republic of India and the Republic of the Philippines with respect to non-Unique Services, in the Business, (any such business, the "Competitive Business"); provided that ownership of less than one percent (1%) of the outstanding stock of any publicly-traded corporation shall not be deemed to be engaging solely by reason thereof in any of its business.

3.4 Reasonableness of Covenants. Each Founder acknowledges that (x) the covenants contained in this Section 3 are essential to the protection of Buyer's investment in the Company (and decision to enter into this Agreement and the Stock Purchase Agreement), (y) the goodwill and ongoing operations of, and a controlling stake in, the Company are extremely valuable, and (z) that Buyer would not purchase the Founder Shares and Company Shares and agreed to pay the amounts hereunder and thereunder unless the Founders agreed to the provisions and covenants in this Section 3 (and other sections of this Agreement) in order to protect the goodwill (and ongoing operations) of the Company. Each Founder agrees that a breach by any of them of this Section 3 shall cause irreparable harm to Company, Buyer and TTH and that Company's, Buyer's and TTH's remedies at law for any breach or threat of breach of the provisions of this Section 3 may be inadequate, and that Company, Buyer and TTH shall be entitled to request an injunction or injunctions to prevent breaches of this Section 3 and to enforce specifically the terms and provisions of this Section 3, in addition to any other remedy to which Company, Buyer and TTH may be entitled at law or in equity.

3.5 Transfer and Other Taxes. All stock transfer, income, capital gains, documentary, stamp, recording and other Taxes (including interest, penalties and additions to any such Taxes) ("Transfer Taxes"), applicable to, or resulting from, the transactions contemplated by this Agreement shall be borne one hundred percent (100%) by Founders.

4.1 Founders. Each Founder, severally and jointly, hereby represents and warrants to Buyer as of the Signing Date and Closing Date, as follows:

(a) Organization. If Founder is an entity, such Founder is duly organized, validly existing and in good standing under the Laws of its organization and has all requisite power and authority to carry on its business as now being conducted, except where the failure to have such power or authority would not prevent or materially delay the consummation of the transactions contemplated hereby.

(b) Authorization. If Founder is an entity, such Founder has the requisite power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. If Founder is a natural person, such Founder has the requisite capacity and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of such Founder. This Agreement constitutes valid and legally binding obligations of the Founder, enforceable against such Founder in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and any other Laws of general application affecting enforcement of creditors' rights generally, and as limited by Laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

(c) Consents and Approvals; No Violations. No notice to, filing with, or authorization, consent or approval of any Governmental Authority or any other Person is necessary for the execution, delivery or performance of this Agreement by such Founder or the consummation by such Founder of the transactions contemplated hereby. Neither the execution, delivery and performance of this Agreement nor the consummation by such Founder of the transactions contemplated hereby will (i) except if such Founder is a natural person, conflict with or result in any breach of any provision of such Founder's organizational documents, (ii) result in a violation or breach of, or cause acceleration, or constitute (with or without due notice or lapse of time or both) a default (or give rise to any right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any material Contract or Permit to which such Founder is a party or (iii) violate any Order or Law of any Governmental Authority having jurisdiction over such Founder, which in the case of any of clauses (ii) and (iii) above, would not impair such Founder's ownership of the Founder Shares, or otherwise prevent or materially delay the Closing of SHA Transactions or the transactions contemplated hereunder.

(d) Title. The Founder is the sole record and beneficial owner of its respective Founder Shares as set forth on Exhibit A and has good and marketable title, free and clear of all Liens, pledges, security interests, preemptive rights or similar rights, claims, restrictions on transfer, Taxes, purchase rights, Contracts, commitments, equities, claims, restrictions, demands, options, warrants, or other encumbrances ("Encumbrance") and has the right to exercise all

voting and other rights with respect to such shares or equity interest, and all such shares and equity interest are duly authorized, validly issued, fully paid, and nonassessable. Following the Closing of SHA Transactions, no Founder will own any Company Stock or other securities of the Company.

(e) Litigation. There is no Proceeding pending or, to such Founder's knowledge, threatened against such Founder before any Governmental Authority which would impair such Founder's ownership of the applicable Founder Shares or otherwise prevent or delay the Closing of SHA Transactions. Such Founder is not subject to any outstanding Order that would impair such Founder's ownership of the applicable Founder Shares or otherwise prevent or delay the Closing of SHA Transactions.

(f) Counsel and Review. Founder has been furnished with, and has carefully read, this Agreement (including all schedules and exhibits hereto) and has been given the opportunity to hire legal, Tax, accounting and financial advisers as it deemed suitable and to ask questions of, and receive answers from, the other Founders and Company concerning the terms and conditions of the transactions contemplated hereby and has received complete and satisfactory answers to any such questions. Founder has carefully considered and has, to the extent it believes such discussion necessary, discussed with legal, tax, accounting and financial advisers the suitability of a transaction of the type contemplated by this Agreement in light of such Founder's particular tax and financial situation.

(g) Brokerage. There is no investment banker, broker, finder or other intermediary whom has been retained by or is authorized to act on behalf of such Founder who might be entitled to any fee or commission from Founder, Company or Buyer in connection with the transactions contemplated by this Agreement.

4.2 Buyer. Buyer hereby represents and warrants to each Founder as of the Signing Date and Closing Date, as follows:

(a) Authorization. Buyer is a corporation duly organized, validly existing and in good standing under the Laws of the State of Colorado and has all requisite corporate power and authority to carry on its business as now conducted. Buyer has full organizational power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by Buyer and constitutes the valid and binding agreements of Buyer, enforceable against Buyer in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and similar Laws of general applicability relating to or affecting creditors' rights and to general principles of equity.

(b) Non-Contravention. The execution, delivery and performance by Buyer of this Agreement and all agreements, documents and instruments executed and delivered by it pursuant hereto and the performance of the transactions contemplated by this Agreement do not and will not: (i) violate or result in a violation of, conflict with or constitute or result in a default (whether after the giving of notice, lapse of time or both) under, accelerate any obligation under, or give rise to a right of termination of, any material Permit or Contract to which Buyer is a party or by which it or its respective assets are bound, (ii) violate or result in a violation of, conflict

with or constitute or result in a default (whether after the giving of notice, lapse of time or both) under, or accelerate any obligation under, any provision of Buyer's organizational documents; (iii) violate or result in a violation of, or constitute a default (whether after the giving of notice, lapse of time or both) under, any provision of any law, regulation or rule, or any order of, or any restriction imposed by, any court or governmental agency applicable to Buyer; or (iv) require from Buyer any notice to, declaration or filing with, or consent or approval of, any Governmental Authority or other third party.

(c) **Brokerage.** There is no investment banker, broker, finder or other intermediary whom has been retained by or is authorized to act on behalf of Buyer who is entitled to any fee or commission from Buyer or Founder in connection with the transactions contemplated by this Agreement.

SECTION 5. SALE AND PURCHASE OF STOCK; CLOSING OF SHA TRANSACTIONS.

5.1 Sale and Purchase of Stock.

(a) Upon the earliest to occur of any of the following events:

(i) a mutually agreed date on or between March 31, 2020 and May 29, 2020; provided, however, if the Parties are unable to mutually agree upon a date, on May 29, 2020 ("**Event 1**");

(ii) the consummation of a Change in Control ("**Event 2**");

(iii) For Cause Termination of any Founder (which shall mean either "**Event 3A**" or "**Event 3B**" and collectively, "**Event 3**"); or

(iv) Founder Exit ("**Event 4**");

each Founder shall sell, assign, transfer, convey, and deliver to Buyer and Buyer shall purchase from each Founder, the entire right, title, and interest in and to each of the outstanding Founder Shares, as set forth in **Exhibit A**, free and clear of any Encumbrance, in exchange for the consideration set forth in **Section 5.1(b)** below; provided that if Event 3A occurs, then Buyer may elect (in its sole discretion) to close under Event 3 as to all or none of the Founder Shares held by all Founders (and if no such Closing occurs, then Buyer shall subsequently close for any remaining Founder Shares under Event 1 or Event 2 as they occur).

(b) **Consideration.** On the Closing Date, in consideration of the purchase of the Founder Shares from Founders, and upon the satisfaction of all of the conditions in **Section 5.2(a)** (Buyer's Conditions to Closing of SHA Transactions) and subject to the terms and conditions of this Agreement, Buyer will pay to Founders in the aggregate an amount (the "**Purchase Price**") calculated as follows:

(i) In the case of Event 1, Consideration = \$5 million + 1.95*FY20 Adjusted Normalized EBITDA + 0.3* Excess Cash;

(ii) In the case of Event 2, Consideration = \$5 million + 2.25*Adjusted Normalized EBITDA for the Trailing Twelve Months (calculated from the available most recently completed full monthly period ending prior to the date of the Event 2 occurrence) + 0.3 * Excess Cash;

(iii) In the case of Event 3, Consideration = \$5 million + 1.95*Adjusted Normalized EBITDA for the Trailing Twelve Months (calculated from the most recently completed full monthly period ending prior to the date of the Event 3 occurrence) + 0.3 * Excess Cash; and

(iv) In the case of Event 4, Consideration = \$5 million + 1.95*Adjusted Normalized EBITDA for the Trailing Twelve Months (calculated from the most recently completed full monthly period ending prior to the date of the Event 4 occurrence) + 0.3 * Excess Cash.

In the event Buyer purchases the Founders Shares in connection with Event 1, and if there has been an extraordinary, one-time event (including, but not limited to war, hurricanes, earthquakes and other uncontrollable natural disasters) which materially adversely affects Company EBITDA in FY20, then at Founders' request, Buyer may, in its sole and absolute discretion, extend Event 1 by twelve months.

(c) Withholdings. Buyer shall be entitled to deduct and withhold from amounts otherwise payable pursuant to this Agreement to Founders such amounts as are required to be deducted and withheld with respect to the making of such payment under the Code, or any provision of federal, state, local or foreign Tax Law. To the extent that amounts are so withheld, (i) such withheld amounts shall be treated for all purposes of this Agreement as having been paid to Founders in respect of which such deduction and withholding was made, and (ii) Buyer shall provide to Founders written notice of the amounts so deducted or withheld.

(d) Indemnification for Unrecovered Losses for Company Breaches under Stock Purchase Agreement. In the event that (A) any Losses are incurred by Buyer, TTH or their respective Affiliates or any other Indemnified Party pursuant to Section 9.2(b)(ii) through (vi) of the Stock Purchase Agreement and (B) such Losses are not recovered by them under the Stock Purchase Agreement other than for reason of a non-Founder Seller not paying its Pro Rata Share of such Loss under the Stock Purchase Agreement (and, for purposes of clarity, the Founders shall not be liable to the extent that a non-Founder Seller does not pay its Pro Rata Share of a Loss under the Stock Purchase Agreement) (an "Unrecovered Loss"), then the Founders shall indemnify Buyer fully for such Unrecovered Losses unless the Company paid the Unrecovered Loss while the Founders still owned all of the Founder Shares (except if the Company was required to take out a loan to pay such Unrecovered Loss, in which event the Founders shall indemnify Buyer fully for such Unrecovered Loss). For example, if an Indemnified Party incurs Losses of \$1,000,000 under Section 9.2(b)(ii) of the Stock Purchase Agreement and the Indemnifying Parties pay or otherwise cover \$700,000 of those Losses under Section 9.2(c)(iii) of the Stock Purchase Agreement and the Company did not pay any portion of the Unrecovered Loss while the Founders owned the Founder Shares, then the Founders shall, on a pro rata basis, indemnify the Buyer and pay Buyer the \$300,000 of Unrecovered Losses. In the event that the

Company is required to make a payment for such Unrecovered Losses, the Company shall only do so with cash and shall not take out a loan unless it is commercially reasonable to do so.

5.2 Conditions to Closing of SHA Transactions.

(a) Conditions to Buyer's Obligations for the Closing of SHA Transactions. The obligation of Buyer to consummate the transactions contemplated by this Agreement is subject to the fulfillment on or prior to Closing of SHA Transactions of all of the conditions, covenants and agreements to be performed by Founders hereunder and that the Founders' representations and warranties hereunder are true and correct in all respects as of Closing of SHA Transactions.

(b) Closing Deliveries for the Closing. Founders shall deliver the following to Buyer at the Closing of SHA Transactions:

(i) Closing Certificate. Each of the Founders will deliver to Buyer a certificate, dated as of the Closing Date, in form and substance reasonably satisfactory to Buyer, certifying that all of the conditions, covenants and agreements to be performed by the Founders on or prior to Closing of SHA Transactions have been satisfied and that the Founders' representations and warranties are true and correct in all respects as of Closing of SHA Transactions.

(ii) Stock Certificates. The Founders will deliver to Buyer a stock certificate or certificates representing the Founder Shares, duly endorsed for transfer to Buyer, and accompanied by duly executed stock power and a completed letter of transmittal.

(iii) Release. Each Founder will deliver to Buyer an executed Release in the form of Exhibit E at and effective as of Closing of SHA Transactions.

(iv) Other Deliverables. Each Founder will deliver to Buyer such other tax or legal deliverables as reasonably requested by Buyer in order to effect the transactions contemplated hereunder.

5.3 Closing of SHA Transactions.

(a) The Closing of SHA Transactions of the transactions contemplated by Section 5.1(a)(i) shall take place by no later than May 29, 2020, unless there is a dispute in the calculation of Adjusted Normalized EBITDA, which shall be resolved in accordance with Section 5.4 below, in which case the Founders can elect to either (i) have the Closing of SHA Transactions take place within five (5) Business Days of resolution of such dispute; or (ii) have the Closing of SHA Transactions still occur on May 29, 2020 (or such earlier date agreed by the Parties) and Buyer shall pay the Purchase Price that it calculated, but the dispute shall remain open and shall be resolved in accordance with Section 5.4 below, and such adjustments to the Purchase Price shall be paid within five (5) Business Days of resolution of such dispute.

(b) The Closing of SHA Transactions contemplated by Section 5.1(a)(ii) shall take place on the closing of the Change in Control. If there is a dispute in the calculation of Adjusted Normalized EBITDA, the Closing of SHA Transactions shall still occur on the date of closing of the Change in Control and Buyer shall pay the Purchase Price that it calculated, but the dispute

shall remain open and shall be resolved in accordance with [Section 5.4](#) below, and such adjustments to the Purchase Price shall be paid within five (5) Business Days of resolution of such dispute.

(c) The Closing of SHA Transactions contemplated by [Section 5.1\(a\)\(iii\)](#) shall take place within sixty (60) days of such termination, unless there is a dispute in the calculation of Adjusted Normalized EBITDA, which shall be resolved in accordance with [Section 5.4](#) below, in which case the Founders can elect to either (i) have the Closing of SHA Transactions take place within five (5) Business Days of resolution of such dispute; or (ii) have the Closing of SHA Transactions still occur within sixty (60) days of such termination and Buyer shall pay the Purchase Price that it calculated, but the dispute shall remain open and shall be resolved in accordance with [Section 5.4](#) below, and such adjustments to the Purchase Price shall be paid within five (5) Business Days of resolution of such dispute.

(d) The Closing of SHA Transactions contemplated by [Section 5.1\(a\)\(iv\)](#) shall take place within sixty (60) days of the date of the Event 4 occurrence, unless there is a dispute in the calculation of Adjusted Normalized EBITDA, which shall be resolved in accordance with [Section 5.4](#) below, in which case the Founders can elect to either (i) have the Closing of SHA Transactions take place within five (5) Business Days of resolution of such dispute; or (ii) have the Closing of SHA Transactions still occur within sixty (60) days of the date of the Event 4 occurrence and Buyer shall pay the Purchase Price that it calculated, but the dispute shall remain open and shall be resolved in accordance with [Section 5.4](#) below, and such adjustments to the Purchase Price shall be paid within five (5) Business Days of resolution of such dispute.

5.4 **Disputes.** In the event the Parties do not agree on the calculation of Adjusted Normalized EBITDA, they shall try and resolve their disagreement for at least 15 days after the start of the disagreement; provided that such 15-day period can be extended by another 15 days by either Party (the "[Resolution Period](#)"). In the event the Parties do not agree within the Resolution Period, then Buyer and Founders shall mutually agree to engage one of the Big Four accounting firms, provided such firm has no conflicts, and if all Big Four accounting firms have conflicts which prevent them from being engaged, then Buyer and Founders shall mutually agree on an appropriate tier-2 national independent accounting firm to determine solely the disputed calculations based on the definitive transaction documents (the "[Independent Accountants](#)"). The Independent Accountants shall be requested to render a written determination of the applicable dispute (acting as an expert and not as an arbitrator) within forty five (45) days after referral of the matter to such Independent Accountants, which determination must be in writing and must set forth, in reasonable detail, the basis therefor and must be based solely on (x) the definitions and other applicable provisions of this Agreement, (y) a single presentation (which "[Presentations](#)" shall be limited to the remaining items in dispute submitted by each of Buyer and Founders to the Independent Accountants within fifteen (15) days after the engagement thereof (which the Independent Accountants shall forward to the other Party (Buyer or Founders) upon receipt of both such presentations) and (z) one written response submitted to the Independent Accountants within five (5) Business Days after receipt of each such presentation (which the Independent Accountants shall forward to the other Party upon receipt of both such responses), and not on independent review, which such determination shall be conclusive and binding on the Parties. The terms of appointment and engagement of the Independent Accountants shall be as reasonably agreed upon between Founders and Buyer. Founders shall

pay a portion of the fees and expenses of the Independent Accountants equal to 100% multiplied by a fraction, the numerator of which is the amount of disputed amounts submitted to the Independent Accountants that are resolved in favor of Buyer (that being the difference between the Independent Accountants' determination and Founders' determination) and the denominator of which is the total amount of disputed amounts submitted to the Independent Accountants (that being the sum total by which Buyer's determination and Founders' determination differ from the determination of the Independent Accountants). Buyer shall pay that portion of the fees and expenses of the Independent Accountants that Founders are not required to pay hereunder. The Independent Accountants shall resolve each disputed item by choosing a value not in excess of, nor less than, the greatest or lowest value, respectively, set forth in the Presentations. Such determination of the Independent Accountants shall be conclusive and binding upon the Parties absent fraud or manifest error. Buyer and Founders agree that the procedures set forth in this [Section 5.4](#) for resolving such disputes shall be the sole and exclusive method for resolving, and shall be the sole and exclusive remedy with respect to, any such disputes; provided, that this provision shall not prohibit either Party from instituting litigation to enforce any final determination by the Independent Accountants hereunder or to compel any Party to submit any dispute arising in connection with this [Section 5.4](#) to the Independent Accountants pursuant to and in accordance with the terms and conditions set forth in this [Section 5.4](#), in each case, in any court of competent jurisdiction in accordance with [Section 6.12](#). The substance of the Independent Accountants' determination shall not be subject to review or appeal, absent a showing of fraud or manifest error.

SECTION 6. MISCELLANEOUS.

6.1 Amendments; Consents. This Agreement may not be amended or modified except (a) by an instrument in writing signed by or on behalf of the holders of a majority of the Founder Shares and Company or (b) by a waiver in accordance with [Section 6.2](#). For purposes of clarity, and notwithstanding anything to the contrary, (i) except for Kaushal Mehta and Parul Mehta, no Founder shall have any management, consent or similar rights under this Agreement, and (ii) whenever the consent, vote, waiver or similar act is held by or required of the Founders, (A) Kaushal Mehta shall have authority to act on behalf of and bind all Founders until he is deceased or has a Disability (a "Disabling Event"), and (b) after a Disabling Event, Parul Mehta shall have authority to act on behalf of and bind all Founders until she is deceased or has a Disability.

6.2 Waiver. Any Party to this Agreement may waive compliance or performance of any provision of this Agreement that is intended for the benefit of such waiving Party. Any such extension or waiver shall be valid only if set forth in a writing executed by the Party to be bound thereby. Any waiver of any term or condition shall not be construed as a waiver of any subsequent breach or waiver of the same term or condition or as a waiver of any other term or condition of this Agreement. The failure of any Party to assert any of its rights under this [Section 6.2](#) shall not constitute a waiver of any of such rights. No course of dealing between or among any Persons having any interest in this Agreement shall be deemed effective to modify, amend or discharge any part of this Agreement or any rights or obligations of any Party under or by reason of this Agreement. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available.

6.3 Specific Performance. The Founders, on the one hand, and Buyer, on the other hand, each agree that the other Party shall each have the right, in addition to any other rights and remedies existing in its favor, to enforce its rights and such other Party's obligations hereunder not only by an action or actions for damages but also by an action or actions for equitable relief, including injunction and specific performance. If any such action is brought by a Party to enforce this Agreement, the other Party hereby waives the defense that there is an adequate remedy at Law or the requirement for the posting of any bond or similar security.

6.4 Expenses. Except as otherwise expressly provided herein, each of the Parties hereto shall pay all of its own fees, costs and expenses (including fees, costs and expenses of legal counsel, investment bankers, brokers or other representatives and consultants and appraisal fees, costs and expenses) incurred in connection with the negotiation of this Agreement, and the consummation of the transactions contemplated hereby and hereby.

6.5 Notices. All notices, claims, demands and other communications given or delivered under this Agreement shall be in writing and shall be personally delivered, mailed by first class mail, return receipt requested, or delivered by reputable express courier service to the respective Parties at the following addresses (or such other address for a Party as shall be specified in a notice given in accordance with this Section 6.5):

If to Founders:

Motif, Inc.
300 N. Bayshore Boulevard
San Mateo, CA 94401

with a copy to:

Silicon Counsel LLP
228 Hamilton Ave., 3rd Floor
Palo Alto, California 94301
Attention: David Hubb

If to Buyer:

TeleTech Services Corporation
9197 South Peoria Street
Englewood, CO 80112
Attention: Office of General Counsel

with a copy to:

TeleTech Services Corporation
9197 South Peoria Street
Englewood, CO 80112
Attention: Chief Financial Officer

Each Party may designate by notice in writing a new address to which any notice, demand, request or communication may thereafter be so given, served or sent. Each notice, demand, request or communication which shall be delivered or mailed in the manner described above shall be deemed sufficiently given (i) upon delivery, when hand delivered, (ii) upon the earlier of actual delivery or the second Business Day after deposit with a reputable express courier service specifying next or second Business Day delivery, or (iii) five (5) Business Days after deposit with the U.S. Mail (if by first-class, registered or certified mail, return receipt requested, postage prepaid).

6.6 Binding Agreement; Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns; provided that neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned by operation of law or otherwise without the prior written consent of Founders and Buyer. Company and TTH (and its acquirors) are intended third party beneficiaries of this Agreement.

6.7 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable Law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable Law or public policy, such provision shall be ineffective only to the extent of such prohibition or invalidity, and all other terms of this Agreement shall remain in full force and effect for so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party.

6.8 Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement and the other agreements, documents and instruments executed and delivered in connection herewith with sophisticated counsel. In the event an ambiguity or question of intent or interpretation arises, this Agreement and the agreements, documents and instruments executed and delivered in connection herewith shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provisions of this Agreement and the agreements, documents and instruments executed and delivered in connection herewith. The Parties intend that each representation, warranty and covenant contained herein shall have independent significance. If any Party has breached any representation, warranty or covenant contained herein in any respect, the fact that there exists another representation, warranty or covenant relating to the same subject matter (regardless of the relative levels of specificity) that the Party has not breached shall not detract from or mitigate the fact that the Party is in breach of the first representation, warranty or covenant. The word "including" shall mean "including without limitation" regardless of whether such words are included in some contexts but not others. The use in this Agreement of the masculine pronoun in reference to a party hereto shall be deemed to include the feminine or neuter, as the context may require.

6.9 Captions. The captions used in this Agreement are for convenience of reference only and do not constitute a part of this Agreement and shall not be deemed to limit, characterize or in any way affect any provision of this Agreement, and all provisions of this Agreement shall be enforced and construed as if no caption had been used in this Agreement.

6.10 Entire Agreement. This Agreement, the Schedules identified in this Agreement and the other documents referred to herein contain the entire agreement between the Parties and supersede any prior understandings, agreements or representations by or between the Parties, written or oral, which may have related to the subject matter hereof in any way.

6.11 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument.

6.12 Governing Law; Exclusive Jurisdiction; Waiver of Jury Trial.

(a) This Agreement and any claim, controversy or dispute arising out of or related to this Agreement, any of the transactions contemplated hereby, the relationship of the parties, and/or the interpretation and enforcement of the rights and duties of the parties, whether arising in contract, tort, equity or otherwise, shall be governed by, and construed in accordance with, the Laws of the State of Delaware (including in respect of the statute of limitations or other limitations period applicable to any such claim controversy or dispute), without regard to any applicable principles of conflicts of Law that might require the application of the Laws of any other jurisdiction.

(b) Each of the parties irrevocably agrees that any legal action or proceeding arising out of or relating to this Agreement or for recognition and enforcement of any judgment in respect hereof brought by any other party or its successors or assigns may be brought and determined by the Chancery Court of the State of Delaware (or if the Chancery Court of the State of Delaware does not have subject matter jurisdiction or declines to accept jurisdiction over a particular matter, any state or federal court within the State of Delaware), or by any court or Governmental Authority located in India, and each of the parties hereby irrevocably submits to the exclusive jurisdiction of the aforesaid court for itself and with respect to its property, generally and unconditionally, with regard to any such action or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby (and agrees not to commence any action, suit or proceeding relating thereto except in such courts). Each of the parties further agrees to accept service of process in any manner permitted by such court. Each of the parties hereby irrevocably and unconditionally waives, and agrees not to assert, by way of motion or as a defense, counterclaim or otherwise, in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, (i) any claim that it is not personally subject to the jurisdiction of the above-named courts for any reason other than the failure lawfully to serve process, (ii) that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such court (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (iii) to the fullest extent permitted by Law, that (A) the suit, action or proceeding in any such court is brought in an inconvenient forum, (B) the venue of such suit, action or proceeding is improper or (C) this Agreement, or the subject matter hereof, may not be enforced in or by such courts. In the event of litigation relating to this Agreement, the prevailing party in such litigation shall be entitled to reimbursement from the other party of the prevailing party's reasonable legal fees and expenses.

(c) EACH OF THE PARTIES TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

6.13 Further Assurances. The Parties covenant and agree to use their respective reasonable best efforts to effectuate the transactions contemplated by this Agreement and to do all acts and things as may be required to carry out their obligations hereunder and to consummate this Agreement, including executing, sealing and delivering all such other instruments and other

documents, and to assist Buyer in exercising all rights with respect thereto and to carry out the purpose and intent of this Agreement.

6.14 Survival of Warranties and Covenants. Unless otherwise set forth in this Agreement, the covenants, representations and warranties of the Parties contained in or made pursuant to this Agreement shall survive the execution and delivery of this Agreement and the Closing of SHA Transactions and shall in no way be affected by any investigation or knowledge of the subject matter thereof made by or on behalf of the Parties.

* * * *

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement as of the day and year first above written.

BUYER:

TELETECH SERVICES CORPORATION, a Colorado corporation

By: _____

Name: Regina M. Paolillo

Title: EVP & Chief Financial Officer

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement as of the day and year first above written.

FOUNDERS:

By: _____

Name: Kaushal Mehta

By: _____

Name: Parul Mehta

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement as of the day and year first above written.

The Ishan Mehta Irrevocable Trust

Trustees:

Kaushal Mehta

Parul Mehta

Shailesh Muzumdar

The Anishi Mehta Irrevocable Trust

Trustees:

Kaushal Mehta

Parul Mehta

Shailesh Muzumdar

EXHIBITS

Exhibit A	Founder's Ownership in Motif, Inc.
Exhibit B	Normalized EBITDA
Exhibit C	Adjusted Normalized EBITDA
Exhibit D	Unique Services
Exhibit E	Form of Release
Exhibit F	Governance Plan
Exhibit G-1	Form of Articles
Exhibit G-2	Form of Bylaws

EXHIBIT A

FOUNDER'S OWNERSHIP IN MOTIF, INC.

Name	# of Shares	% Ownership in Motif Inc.
Kaushal Mehta	925,238	10.5%
Parul Mehta	925,238	10.5%
The Ishan Mehta Irrevocable Trust	400,000	4.5%
The Anishi Mehta Irrevocable Trust	400,000	4.5%
Total Number of Founder Shares	2,650,476	30%
Total Outstanding Shares in Motif, Inc.	8,834,916	

EXHIBIT B

NORMALIZED EBITDA

The parties agree that the following principles will govern the definition of Normalized EBITDA:

1. Each party pays for its own non-operations overhead resources and the Delivery Party pays for the other party's temporary operations personnel travelling to its delivery site to provide any support (if approved by the Delivery Party)

For purposes of the Shareholders' Agreement, the term "**Normalized EBITDA**" shall include the following:

Type #1 Services (Motif Delivery of Unique Services for Any Client from Motif location): All EBITDA attributable to Unique Services (as defined in Exhibit D) delivered by the Company from any existing or new Company location, on behalf of a client of either of Company, Buyer or any Buyer Affiliate. Company shall bear all expense and investments including capital expenditures for technology, real estate and facilities related to such Type #1 Services.

Type #2 Services (Motif Delivery of Other Services for TTEC Client from Motif location): All EBITDA attributable to services that are not Unique Services delivered by the Company from a Company location, on behalf of a client of Buyer or any Buyer Affiliate; provided that Company was directly involved in pitching the services (to include showcasing its capabilities, selling, support for proposal preparation, etc.), solutioning the services, pricing the services or implementing the services (transitioning, training, quality assurance or operations) for the client engagement. Company shall bear all expense and investments including capital expenditures for technology, real estate and facilities related to such Type #2 Services.

Type #3 Services (Motif Delivery of Services within Motif Exclusive Verticals for Any Client from India): All EBITDA attributable to services directly associated with the Motif Exclusive Verticals (as defined) and delivered by the Company from an India site only, on behalf of a client of either of Company, Buyer or any Buyer Affiliate. Company shall bear all expense and investments for capital expenditures for technology, real estate and facilities related to such Type #3 Services.

Type #4 Services (TeleTech Delivery of Unique Services for TTEC Client from TTEC location): All EBITDA attributable to Unique Services delivered by Buyer or any Affiliate from any existing or new Buyer or Buyer Affiliate location, with full Enterprise Services (as defined) cost burden on behalf of any new or existing client of Buyer or any Buyer Affiliate. Buyer or Buyer Affiliate (as applicable) shall bear all capital expenditures for technology, real estate and facilities related to such Type #4 Services.

Type #5 Services (TeleTech Delivery of Other Services for Motif Client from TTEC location): All EBITDA attributable to new services that are not Unique Services delivered by Buyer or any Buyer Affiliate from any existing or new Buyer or Buyer

Affiliate location, with full Enterprise Services cost burden, on behalf of any new or existing client of Company that was not directly pitched, sourced nor sold by Buyer or its Affiliate. Buyer or Buyer Affiliate (as applicable) shall bear all capital expenditures for technology, real estate and facilities related to such Type #5 Services.

TeleTech Site Selection Discretion: Notwithstanding anything set forth herein, neither Buyer or nor any Buyer Affiliate shall be restricted in any manner should it decide to deliver services to a client of Buyer or any Buyer Affiliate in India (or anywhere else in the world); provided the services are not Unique Services and are not services in a Motif Exclusive Vertical, and under such circumstances, no EBITDA attributable to the delivery of such services by Buyer or any Buyer Affiliate shall be included in the calculation of Normalized EBITDA.

Training, Work Force Management, QA, etc.: In the case of Type #1 Services, Type #2 Services and Type #3 Services where Company is the delivery party, Company shall provide all support services related to the applicable Type #1-3 Services, including but not limited to talent acquisition, recruitment, quality assurance, workforce management, human capital and project management support for project launch (collectively, “**Delivery Support Services**”), and in the case of Type #4 Services and Type #5 Services where Buyer or its Affiliate is the delivery party, Buyer or its applicable Affiliate shall provide all Delivery Support Services related to the applicable Type #4 and 5 Services.

TeleTech Customer Management Services: For purposes of clarity, any references to the *EBITDA* of Buyer or its Affiliate, and any references to *the clients* of Buyer or its Affiliate, or references to costs, locations, etc., are in each case limited to the EBITDA associated with TeleTech Customer Management Services (CMS) business unit, the clients of TeleTech’s CMS business unit and the costs, locations, etc. of TeleTech’s CMS. Nothing stated in this exhibit or in the Shareholders’ Agreement shall be deemed to incorporate any matters relative to the business of TeleTech’s other business units (e.g., TeleTech Customer Technology Services (CTS), TeleTech Customer Growth Services (CGS) and TeleTech Customer Strategy Services (CSS), Humanify or any other business unit beyond TeleTech CMS).

Costs: If operations personnel of Buyer (or its Affiliate) travel to India to support a program ramp for a client of Buyer (or its Affiliate) where Company will deliver the services, and get EBITDA credit related thereto, which EBITDA will include and reflect all costs associated with Buyer’s (or its Affiliate’s) operations personnel compensation, travel, lodging and stay as long as the travel is pre-approved by a Founder and the Buyer.

Likewise, if operations personnel of Company travel to a Buyer (or its Affiliate) site to support a program ramp for a client of Buyer (or its Affiliate) or the Company where the Buyer (or its Affiliate) will deliver the services, and the Company will receive EBITDA credit related thereto (Type #4 and #5 above), which EBITDA will include and reflect all costs associated with Company’s operations personnel compensation, travel, lodging, and stay as long as the travel is pre-approved by the Buyer (or its Affiliate) and a Founder.

For purposes of Exhibit B, Company shall not be deemed to be an Affiliate of Buyer.

For purposes of Exhibits B and C, notwithstanding anything to the contrary contained herein, the parties agree that credit will be given to the Company to the extent Buyer, including any Affiliate of Buyer, uses Motif to pitch, source, sell services (to include showcasing its capabilities, selling, support for proposal preparation, etc.), for solutioning the services, for pricing the services, or for implementing the services (transitioning, training, quality assurance or operations) for the client engagement, with respect to any new or existing client of the Buyer (or its Affiliate) or the Company; otherwise, EBITDA attributable to services performed by Buyer, including any Affiliate of Buyer, shall not be included in the calculation of Normalized EBITDA hereunder.

EXHIBIT C

ADJUSTED NORMALIZED EBITDA

For purposes of the Shareholders' Agreement, the term "Adjusted Normalized EBITDA" shall mean:

All Normalized EBITDA **excluding**:

- (a) costs of Enterprise Services (as defined) to the extent that they reduce EBITDA and not provide a direct and measurable, positive impact upon performance of the Company's operational delivery metrics;
- (b) costs of software licenses imposed by Buyer to the extent that they reduce EBITDA and do not provide a direct and measurable, positive impact upon performance of the Company's operational delivery metrics; and
- (c) integration-related costs imposed by Buyer to the extent that they reduce EBITDA and do not provide a direct and measurable, positive impact upon performance of the Company's operational delivery metrics (e.g., costs associated with a new Oracle financial accounting software requirement, costs of a Salesforce implementation, costs of integration of Company's proprietary Confluence platform with Buyer's other operations); and
- (d) any gain in Normalized EBITDA due to the conversion of the same from US GAAP to IFRS as of the Signing Date hereof; provided however that if there is actually a loss in Normalized EBITDA due to the conversion of the same from US GAAP to IFRS as of the Signing Date, then such amount shall be **included** in the calculation of Adjusted Normalized EBITDA; and
- (e) any one-time transaction expenses and costs directly related to the Stock Purchase Agreement and the transactions contemplated thereby; provided however that this exclusion shall only be applicable in the event of any Closing of SHA Transactions occurring as a result of Event 2 or Event 4, if such Event 2 or Event 4 occurs on or before the twelve (12) month anniversary of the Signing Date of this Agreement; and
- (f) any costs or damages that arise from the unilateral actions or inactions of Buyer (or Affiliate of Buyer), which have not been approved by a Founder; and
- (g) any incremental fees, costs and expenses for annual financial statement audits of the Company required by the Buyer (or its Affiliate) that are in excess, of the fees, costs and expenses that are required from a regulatory perspective and for the operational delivery of the Company's services.

Merger or Combination: The parties acknowledge that Buyer (or its Affiliates) cannot merge or otherwise combine the Company with an entity that the Buyer (or its Affiliate) has acquired or otherwise controls. Furthermore, in the event that Buyer (or its Affiliate)

acquires an entity that at the time of the acquisition has a client that is also a Company client (e.g., eBay), if Buyer (or its Affiliate) determines it desires to combine the services performed by Company for such client in the same master agreement with the services performed by the acquired entity for the same client, then Buyer (or its Affiliate) and Founders shall cooperate to reasonably determine how to track the EBITDA directly related to the Company client post-contractual combination. However, if the Company is no longer providing services as a result of Buyer moving the services from the Company to an entity of the Buyer or Buyer's acquisition, the Adjusted Normalized EBITDA would be adjusted to compensate for the lost EBITDA.

Merger of Combination of a TeleTech client and a Motif client: The parties also acknowledge that in the event that any client of Buyer (or its Affiliates) acquire/merge with a client of Motif (for example, Google acquires eBay or Facebook merges with eBay), Motif will continue to receive EBITDA credit for its client's (eBay's) business.

For purposes of Exhibit C, Company shall not be deemed to be an Affiliate of Buyer.

EXHIBIT D

UNIQUE SERVICES

Unique Services shall be defined as any one or any combination of the following services:

1. Safe harbor support – appeals, mediation between buyer/bidder, fraud detection
 2. Community watch support – adherence to community guidelines authentication of representations made, fraud or falsification detection
 3. Trust and safety – third party identity verification, facial recognition, account takeover prevention and migration, account suspension appeals, account security support, phishing prevention and mitigation customer support
 4. Couponing – Management of consumer discounts, offers, specials, incentives, sales, or promotions (coupon) including coupon sourcing, coupon moderation, coupon optimization, and coupon validation.
 5. Geofencing - The addition, deletion, modification, and maintenance of a virtual perimeter for a geographic area to support location-based services for clients.
-

EXHIBIT E

FOUNDER RELEASE

THIS RELEASE (this "Release") is made as of [____] [___], 20___, by the undersigned in connection with the Shareholders' Agreement (the "SHA"), between and among Kaushal Mehta, an individual, Parul Mehta, an individual (Kaushal Mehta and Parul Mehta, and any trust or trusts that hold shares transferred from the foregoing individuals, collectively the "Founders" and individually each a "Founder"), and TeleTech Services Corporation, a Colorado corporation (the "Buyer"). All capitalized terms herein shall have the meanings set forth in the SHA.

Each of the undersigned, on behalf of themselves and their respective predecessors, successors, assigns, heirs, executors, legatees, administrators, beneficiaries, representatives and agents (the "Releasing Parties"), on the date hereof, shall be deemed to have, and hereby does, unconditionally release and forever discharge Buyer, Company and TTH and their respective direct and indirect subsidiaries and parent entities, including their respective officers, directors, employees, shareholders, successors, assigns, agents, advisors, representatives and affiliates (the "Released Parties"), from (i) any and all obligations or duties the Released Parties might owe or have to the Releasing Parties, (ii) any and all claims of Liability, whether legal or equitable, of every kind and nature, which the Releasing Parties ever had, now have or may claim against the Released Parties, in each case, in connection with the SHA or the transactions contemplated under the SHA, (iii) any and all claims of Liability, whether legal or equitable, of every kind and nature, which the Releasing Parties ever had, now have or may claim against the Released Parties, in each case arising out of facts or circumstances occurring at any time on or prior to the Closing Date; provided, however, that such release shall exclude those Liabilities of Company arising out of the SHA and shall exclude, to the extent the Founder is an employee, independent contractor, officer or director of Company: (i) earned compensation not yet paid, (ii) reimbursement for expenses incurred by the Founder in the ordinary course of his or her employment which are reimbursable under Company's expense reimbursement policies, (iii) accrued benefits, including vacation, subject to Company's policies on accrual and carry forward; and (iv) any rights that the Releasing Parties have to be indemnified by any Released Parties under the terms of the articles of incorporation or bylaws of the Company or pursuant to any indemnification agreement between the Releasing Parties and the Company.

Apart from the Liabilities above expressly excepted from the foregoing release, the released claims include all other Liabilities even if the Liabilities and their existence are unknown or not suspected, and even if knowledge of those Liabilities would have affected the acceptance of the foregoing release. For purposes of this Release, each Founder hereby expressly waives and releases any and all rights and/or benefits under California Civil Code Section 1542 and any other analogous provision of applicable Law of any jurisdiction. Section 1542 states:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS/HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN TO HIM/HER MUST HAVE MATERIALLY AFFECTED HIS/HER SETTLEMENT WITH THE DEBTOR."

EXHIBIT F

Motif and TeleTech
Governance Plan

A. Background

On November __, 2017 (the “**Effective Date**”), TeleTech, through its subsidiary TeleTech Services Corporation (hereinafter, “**TeleTech**”), acquired a seventy percent (70%) interest in Motif, Inc., and the remaining thirty percent (30%) interest in Motif, Inc. is held, directly or indirectly by Kaushal Mehta and Parul Mehta (each a “**Founder**” and collectively, the “**Founders**”) each Founder holding equal ownership interests.

From the execution of the Shareholders’ Agreement until the Closing of SHA Transactions (as such term is defined in the Shareholders’ Agreement (the “**Interim Period**”), the Founders and TeleTech desire to have this Governance Plan set forth the primary guiding principles relative to how the Motif, Inc. business (hereinafter “**Motif**”) will be operated as a part of TeleTech’s Customer Management Solutions (CMS) business unit.

B. Primary Governance Principles

TeleTech and the Founders desire to set forth the primary governance principles that will guide the parties’ operation of the Motif business within the TeleTech family of companies during the Interim Period. The **Primary Governance Principles** are, collectively, as follows:

1. TeleTech and the Founders shall approach the operation of the Motif business and the other TeleTech businesses with a focus on collaboration to achieve maximum synergies.
2. Although TeleTech is the primary shareholder in the Motif business, TeleTech expects that the Founders will (a) operate the Motif business in a manner that will optimize the businesses’ customers and customer relationships, employees and other resources, revenue, EBITDA and cash flow, (b) comply with all applicable laws and the reasonable policies and procedures of TeleTech and (c) act in the best interests of Motif and TeleTech since Founders will be officers of (and one Founder will serve as a director of) Motif and owe fiduciary duties to Motif and its shareholder, TeleTech.
3. TeleTech acknowledges that Kaushal Mehta is and will remain the primary client relationship manager with respect to all current and new Motif clients through the Interim Period, however the Founders agree that for proper succession planning purposes, following the Effective Date, Kaushal Mehta shall (a) commence introducing Arthur Nowak (and/or Marty DeGhetto and others, as determined by

TeleTech) to all of Motif's clients, and (b) facilitate the establishment of TeleTech personnel as additional client relationship points-of-contact, both in preparation for a seamless handover of the role as primary client relationship manager to TeleTech by the Closing Date or Kaushal Mehta's departure from Motif (whichever first occurs). During the Interim Period, Kaushal Mehta shall be involved or copied to the extent reasonably practicable in any TeleTech initiated communications (in any form including, without limitation emails, calls, and meetings) between a TeleTech representative and a current or new Motif client; provided that, nothing in this Governance Plan shall prohibit TeleTech from responding to communications from a current or new Motif client for any reason.

4. TeleTech and the Founders shall make reasonable and good faith decisions with respect to the operation of Motif's and TeleTech's non-Motif CMS businesses, as well as with respect to their respective clients and employees.
5. TeleTech may under certain circumstances require Founders to take actions on behalf of Motif, which result in an adverse impact on Adjusted Normalized EBITDA (as defined in the Shareholders' Agreement); provided that if TeleTech in good faith does require Founders to take such action, it shall do so with the understanding that Founders shall be entitled to a reversal of the equivalent amount of such adverse impact upon Adjusted Normalized EBITDA in connection with a Closing under the Shareholders' Agreement.
6. TeleTech and Founders shall jointly make determinations on the placement of new business in TeleTech's or Motif's locations based on TeleTech's cost information and available seat capacity, and other relevant fees and costs; provided that Founders are authorized to make reasonable and good faith decisions with respect to delivery decisions regarding the Motif current and new clients in the Philippines; and further provided that such decisions of Founders shall at all times be subject to Founders' compliance with TeleTech policies and procedures for budget and procurement approvals for operating and capital expenses. Notwithstanding anything set forth herein, as set forth in Exhibit B hereto, TeleTech shall not be restricted in any manner should it decide to deliver services to a TeleTech client in India; provided the services are not Unique Services and are not services in a Motif Exclusive Vertical.
7. The parties desire to encourage (not inhibit) cross-selling (whether cross-selling Motif services to TeleTech clients, or cross-selling TeleTech services to Motif clients).
8. It is a TeleTech core value and the parties agree to encourage employee mobility, career development and overall engagement globally, so long as it is not materially disruptive to the business.

9. As senior leaders of TeleTech subsidiary, the Founders shall always act in a manner necessary and desirable to protect and advance the best interests of TeleTech, acting, in all instances, in accordance with TeleTech Corporate Policies and Procedures which are incorporated in this Governance Plan by reference, including but not limited to the requirement to follow TeleTech's client contract approval escalation protocols and its best practices in contracting (e.g. legal, pricing and contract management review and approval).

C. Client Relationship Engagement

Access to Motif Clients (as defined below) by TeleTech shall start with a discussion between TeleTech and Founders. Subject to the succession planning Primary Governance Principle set forth above, Kaushal Mehta shall be the primary point-of-contact (but not sole POC) for Motif Clients. Any TeleTech activities regarding engagement with Motif Clients, including cross-selling activities, shall be coordinated through Kaushal Mehta in advance, and the parties shall work cooperatively with each other in these activities.

Access to clients of TeleTech by Motif, Inc. shall start with a discussion between TeleTech and Founders. Any Founders' activities regarding cross-selling to TeleTech clients shall be coordinated through Arthur Nowak (with respect to clients located in APAC), Judi Hand, TeleTech's Chief Revenue Officer, for clients elsewhere, or other authorized TeleTech personnel (as appropriate) in advance, and Founders shall work cooperatively with TeleTech in these activities.

As of the Effective Date, the clients of the Motif business are those third-parties identified on Appendix 1 attached hereto (collectively, "**Motif Clients**"). TeleTech will not solicit or otherwise interfere with the current business relationships between Motif and the Motif clients without the consent of the Founders, and if such interference shall have occurred, then TeleTech shall reverse any material adverse impact upon the Adjusted Normalized EBITDA of Motif resulting from such action by TeleTech.

For all new clients (new logos) that are consummated during the Interim Period as a direct result of a referral to the Founders or Motif's sales efforts (other than from TeleTech or its Affiliates), such new clients shall be deemed Motif Clients for all purposes hereunder. Otherwise, for all new clients (new logos) that are consummated during the Interim Period as a direct result of TeleTech's lead generation such new client shall be deemed TeleTech clients for all purposes hereunder.

As of the Effective Date, the parties acknowledge the following overlapping client relationships:

- TeleTech's client is Rakuten Kobo, which is also a Company client;

- TeleTech's client is Booking.com, which is a subsidiary of Company's client Priceline.com; and
- TeleTech's client is Experian, which acquired Company's client, 41st Parameter.

D. Employee Recruitment

Each of TeleTech and Motif has employees in the Philippines, and during the Interim Period, neither TeleTech nor Motif shall solicit, recruit or otherwise interfere in the employee/employer relationship of the other party. Exceptions to the prohibition on solicitation shall be addressed by the Delegates (as defined below) if the underlying issue cannot be resolved by the applicable Motif and TeleTech management.

Notwithstanding the foregoing, TeleTech and Founders agree to establish and encourage policies and platforms that promote employee mobility and thereby enhance employee engagement. TeleTech and Founders acknowledge that from time-to-time during the Interim Period there may be a need for TeleTech to recruit employees from Motif locations to work in roles in non-Motif locations in TeleTech's CMS business unit, and the same may be true that there may be a need for Motif to recruit employees from TeleTech locations to work in roles in Motif locations. In either case, if the respective TeleTech and Motif managers cannot resolve such personnel issues, then the issues shall be addressed by the Delegates and otherwise subject to the dispute provisions stated herein.

E. Integration Activities

As of the Effective Date, TeleTech shall commence, in collaboration with the Founders, the integration of the Motif operations into TeleTech. Certain support functions such as Finance and Accounting (F&A) personnel within Motif may be replaced by similar functions within TeleTech's F&A organization to take advantage of centers of excellence and economies of scale. TeleTech will make reasonable efforts to evaluate whether there are roles within the TeleTech organization for any displaced Motif employees resulting from such integration and reorganization. All costs to support Motif F&A, when such F&A functions are moved to TeleTech F&A personnel will be charged back to Motif as appropriate without adversely impacting its Adjusted Normalized EBITDA (for clarity, this means that upon a Closing of SHA Transactions under the Shareholders' Agreement, Adjusted Normalized EBITDA shall be increased by removal of all such charged back costs).

F. Effect of TeleTech's Noncompliance

Consistent with the Shareholders' Agreement, if TeleTech violates or does not comply with this Plan, the sole remedy of Founders shall be an adjustment to Adjusted Normalized EBITDA for purposes of determining the Purchase Price under the Shareholders' Agreement, but the adjustment shall be solely to the extent of the damages that are directly caused by TeleTech's breach or violation of this Plan (but excluding all consequential and indirect damages).

G. Dispute Resolution

In the event of a dispute arising between TeleTech and the Founders relating to, or arising from, this Governance Plan that cannot be resolved by the applicable management of the personnel involved, the dispute shall be escalated to the Delegates as follows:

The Delegate(s) of the party claiming a dispute or a default (the “**Initiating Party**”) shall provide written notice (email is acceptable) to the Delegate(s) of the other party (the “**Responding Party**”) reasonably describing the claimed dispute and the nature of the remedial act or conduct requested of the Responding Party to correct, alleviate or cure the dispute.

Within five (5) business days after receipt of the written dispute notice by the Responding Party, both parties shall use their reasonable efforts to co-operatively resolve the dispute in a manner that is consistent with the Primary Governance Principles (set forth above), and if necessary a meeting shall be held by phone (or in person when possible) between the Delegates of both the Initiating Party and Responding Party.

If the dispute is not resolved by the Delegates within five (5) business days after receipt of the dispute notice, then the dispute shall be referred to the Governance Panel for resolution. The Governance Panel shall determine its own procedures for the resolution of the dispute. Decisions of the Governance Panel may only be made by majority agreement of the members of the Governance Panel. Any decision of the Governance Panel shall be binding on the TeleTech and Founders. If the decision of the Governance Panel has a material adverse impact upon the Adjusted Normalized EBITDA, Founders’ remedy is the reversal of such adverse impact by TeleTech.

H. Delegates and Governance Panel

For purposes of this Governance Plan, the “**Delegates**” shall be comprised of the following:

- Arthur Nowak
- Kaushal Mehta
- Parul Mehta

For purposes of this Governance Plan, the “**Governance Panel**” shall be initially comprised of the following:

- Kaushal Mehta, Motif’s President;

- Parul Mehta, Co-Founder & Director
- The EVP of TeleTech's CMS business (Marty DeGhetto as of the Effective Date);
- TeleTech's Chief Financial Officer (Regina Paolillo as of the Effective Date); and
- TeleTech SVP of Operations for the APAC Region (Arthur Nowak as of the Effective Date).

In the event of resignations or terminations of any members of the Governance Panel during the Interim Period, the Board of Directors of the Company shall appoint Governance Panel replacements, and in the event of resignations or terminations of any Delegates, the Governance Panel shall appoint substitute Delegates.

APPENDIX 1

Motif Client List

Priceline.com Inc. (a Delaware Corporation)
eBay International A.G. (Swiss Company)
eBay Inc. (a Delaware Corporation)
Makemytrip (an India Company)
AirBNB (Irish Company with US entity - a Delaware Corporation)
RetailMeNot (a Delaware Corporation)
eBay India Private Limited (an India Company)
Adorama, Inc. (NY, NY)
Rakuten Marketing LLC (NY, NY)
41st Parameter, Inc. (Scottsdale, CA)
Mercatus, Inc. (San Jose, CA)
HomeUnion, LLC (Irvine, CA)
Avalanche, LLC (FL)
Alibris, Inc. (Emeryville, CA)
Derric Wood (New Delhi, India)
Boxy Charm, Inc. (Miami Gardens, FL)
Seek Limited (Australia)
Benefit Consultants Group Inc. (Cherry Hill, NJ)
AlphaDetail, Inc. (San Mateo, CA)
Highpoint Associates, LLC (Los Angeles, CA)
Sara Trade HK Pvt. Ltd (Azure Nature Limited) (Hong Kong Company)

CERTIFICATIONS

I, Kenneth D. Tuchman, certify that:

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

Date: November 8, 2017

By: /s/ KENNETH D. TUCHMAN
Kenneth D. Tuchman
Chairman and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATIONS

I, Regina M. Paolillo, certify that:

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

Date: November 8, 2017

By: /s/ REGINA M. PAOLILLO
Regina M. Paolillo
Chief Financial Officer
(Principal Financial and Accounting Officer)

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

The undersigned, the Chief Executive Officer of TeleTech Holdings, Inc. (the "Company"), hereby certifies that, to his knowledge on the date hereof:

- (a) the Form 10-Q of the Company for the quarter ended September 30, 2017 filed on the date hereof with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities and Exchange Act of 1934; and
- (b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ KENNETH D. TUCHMAN
Kenneth D. Tuchman
Chairman and Chief Executive Officer

Date: November 8, 2017

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

The undersigned, the Chief Financial Officer of TeleTech Holdings, Inc. (the "Company"), hereby certifies that, to her knowledge on the date hereof:

- (a) the Form 10-Q of the Company for the quarter ended September 30, 2017 filed on the date hereof with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities and Exchange Act of 1934; and
- (b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Regina M. Paolillo
Regina M. Paolillo
Chief Financial Officer

Date: November 8, 2017
