

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of Earliest Event Reported: **August 21, 2017**)

Function(x) Inc.

(Exact name of Registrant as Specified in its Charter)

Delaware (State or other jurisdiction of incorporation) **0-13803** (Commission File Number) **33-0637631** (I.R.S. Employer Identification Number)

902 Broadway, 11th Floor
New York, New York (Address of principal executive offices) **10010** (Zip Code)

(212) 231-0092
(Registrant's Telephone Number, including Area Code)

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions (*see* General Instruction A.2 below):

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

Item 1.01 Entry into a Material Definitive Agreement

As previously reported on Company's Current Report on Form 8-K filed on June 12, 2015, the Company entered into the Line of Credit Grid Promissory Note (the "Grid Promissory Note") between the Company and Sillerman Investment Company IV, LLC ("SIC IV") on June 11, 2015.

On August 21, 2017, the Company's Board approved entering into a Line of Credit Promissory Note (the "RI Promissory Note") with Reaz Islam ("RI" or "Lender"), the Chief Investment Officer of the Company. Pursuant to the RI Promissory Note, RI agreed to loan the Company up to \$500,000. The transaction was structured with the RI Promissory Note assuming the obligation to fund up to \$500,000 of the remaining amount available to be drawn under the Grid Promissory Note and was secured under the same Security Agreement and subject to the provisions of the Intercreditor Agreement dated July 8, 2016, as reported on the Company's Current Report on Form 8-K filed on July 13, 2016.

The Company intends to use the proceeds of the RI Promissory Note to fund working capital requirements and for general corporate purposes.

In connection with the foregoing, the Company amended the Grid Promissory Note to extend the maturity date to February 28, 2019, to coincide with the maturity date of the RI Promissory Note, and to reduce the amount available to be drawn under the Grid Promissory Note by \$500,000, to \$9,063,000.

Because the transactions described above were affiliate transactions, they were approved by the Company's independent directors.

The foregoing descriptions of the transactions contemplated thereby are not complete and are subject to and qualified in their entirety by reference to the RI Promissory Note attached hereto as Exhibit 10.1, the form of Note Assignment and Supplement to the Intercreditor Agreement attached hereto as Exhibit 10.2, the form of Supplement to the Security Agreement attached hereto as Exhibit 10.3, and the form of Second Amendment to the Line of Credit Grid Promissory Note attached hereto as Exhibit 10.4, and in each case incorporated herein by reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant

The Company borrowed \$150,000 under the RI Promissory Note referenced in Item 1.01 above.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	Form of RI Promissory Note
10.2	Form of Note Assignment and Supplement to the Intercreditor Agreement
10.3	Form of Supplement to the Security Agreement
10.4	Form of Second Amendment to Line of Credit Grid Promissory Note

SIGNATURES

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

FUNCTION(X) INC.

Date: August 23, 2017

By: /s/ Mitchell J. Nelson

Name: Mitchell J. Nelson

Title: Executive Vice President

INDEX TO EXHIBITS

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10.3	Form of Supplement to the Security Agreement
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LINE OF CREDIT GRID PROMISSORY NOTE

New York, New York

As of August 21, 2017 \$500,000.00

1) FOR VALUE RECEIVED, on the Maturity Date, Function(x) Inc., a Delaware corporation, formerly known as Viggie Inc. (the "Borrower"), at its offices at 902 Broadway, 11th Floor, New York, New York 10010, promises to pay to the order of Reaz Islam (the "Lender") at its offices, or at such other place as the Lender may designate in writing, the aggregate principal sum of Five Hundred Thousand Dollars (\$500,000) or, if less, the unpaid amount of all draws, plus accrued and unpaid interest due with respect to all outstanding draws, made by the Lender hereunder. This Line of Credit Grid Promissory Note shall be referred to herein as the "Grid Note" or this "Note").

2) Maturity Date. The "Maturity Date" shall be the earlier to occur of (i) February 28, 2019 or (ii) upon a Change of Control Transaction, whichever comes first. For purposes hereof, a "Change of Control Transaction" means (i) a sale of all or substantially all of the assets of the Borrower or (ii) the issuance by the Borrower of Common Stock (as defined below) that results in any "person" or "group" (as these terms are used for purposes of Sections 13(d) and 14(d) of the 1934 Act and the rules and regulations promulgated thereunder) becoming the "beneficial owner" (as defined in Rule 13d-3 promulgated under the 1934 Act) of a majority of the aggregate ordinary voting power represented by issued and outstanding Common Stock (other than as a result of, or in connection with, any merger, acquisition, consolidation or other business combination in which the Borrower is the surviving entity following the consummation thereof), excluding, with respect to each of (i) and (ii), transactions with affiliates of the Borrower. For purposes hereof, "Common Stock" means (i) the Borrower's shares of common stock, \$0.001 par value per share, and (ii) any capital stock into which such common stock shall have been changed or any share capital resulting from a reclassification of such common stock.

3) Interest. (a) Borrower will pay interest on the unpaid principal amount of all draws from time to time outstanding from the date of each draw until each such draw has been paid in full. Interest shall accrue at the simple interest rate equal to twelve percent (12%) per annum, simple, with respect to each draw.

(b) Borrower will pay interest, calculated at the rate set forth above, upon the Maturity Date or such earlier date upon which any draw is repaid. In addition, Borrower will pay a default rate equal to two percent (2%) per annum in excess of the rate set forth herein if an Event of Default has occurred and is continuing. Notwithstanding the foregoing however, in no event shall interest exceed the maximum legal rate permitted by law. All payments, including insufficient payments, shall be credited, regardless of their designation by Borrower, first to outstanding late charges, then to interest and the remainder, if any, to principal.

4) Requests for Loans; Disbursement of Proceeds.

Borrower may borrow, and Lender agrees to fund draws hereunder, upon notice of a proposed borrowing, and the requested amount thereof, to the Lender not later than 12:00 Noon (New York time) five (5) days prior to the date on which the proposed borrowing is requested to be made, subject to the satisfaction of all conditions precedent to such draw, including the delivery to the Lender of a funding memorandum substantially in the form attached hereto as Exhibit A (a "Funding Memorandum"); provided, that, the aggregate principal amount of all draws outstanding at any one time shall not exceed \$500,000. Lender shall not be obligated to fund draws more than once per month. Each notice of borrowing shall be delivered by hand or facsimile transmission. Each such notice shall be irrevocable by and binding on Borrower. Unless otherwise directed in writing by Borrower, the Lender shall promptly disburse the proceeds of such draw made hereunder by crediting the amount thereof as instructed in the applicable Funding Memorandum.

5) Payments and Prepayments; Use of Grid.

(b) The Lender is hereby authorized by Borrower to enter and record on the schedule attached hereto (i) the loan number, (ii) the date of each draw made under this Grid Note, (iii) the dollar amount of the draw, (iv) the applicable interest rate, (v) interest due on Maturity Date, (vi) each payment and prepayment of any draw thereon, and (vii) date of payment, without any further authorization on the part of Borrower or any endorser or guarantor of this Grid Note; provided, however, that the Lender shall promptly deliver to the Borrower a copy of this Grid Note following the entry of each draw hereunder. The entry of a draw on said schedule shall be prima facie and presumptive evidence of the entered draw and its conditions, absent manifest error. The Lender's failure to make an entry, however, shall not limit or otherwise affect the obligations of Borrower or any endorser or guarantor of this Grid Note.

(c) Borrower may make prepayments in whole or in part hereunder at any time, provided accrued, but unpaid interest, is paid through the prepayment date.

(d) If any payment of principal or interest becomes due on a day on which the Lender is closed, such payment shall be made not later than the next succeeding Business Day (a “Business Day” shall be considered to be Monday through Friday from 9am to 5pm local time, excluding weekends and public holidays) and such extension shall be included in computing interest in connection with such payment. All payments by Borrower on account of principal, interest or fees hereunder shall be made in lawful money of the United States of America, in immediately available funds.

6) Use of Proceeds. The proceeds of each draw hereunder shall be used for general corporate and working capital purposes of Borrower. Borrower may use the proceeds to repay existing indebtedness of the Borrower, including indebtedness to Lender or any of its affiliates. Borrower will not, directly or indirectly, use any proceeds of draws hereunder for the purpose of purchasing or carrying any margin stock within the meaning of Regulation X of the Board of Governors of the Federal Reserve System or to extend credit to any person for the purpose of purchasing or carrying any such margin stock, or for any purpose which violates, or is inconsistent with, Regulation X of such Board of Governors.

7) Event of Default. It is expressly agreed that the whole of the indebtedness evidenced by this Grid Note shall immediately become due and payable, at the option of the Lender, on the happening of any default or event constituting an event of default hereunder (each an “Event of Default”). An Event of Default shall occur on: (i) the non-payment of any of the amounts due hereunder within five (5) Business Days after the date such payment is due and payable; (ii) dissolution or liquidation, as applicable, of the Borrower; (iii) any petition in bankruptcy being filed by or against the Borrower or any proceedings in bankruptcy, or under any Acts of Congress relating to the relief of debtors, being commenced for the relief or readjustment of any indebtedness of the Borrower either through reorganization, composition, extension or otherwise; provided, however, that Borrower shall have a sixty (60) day grace period to obtain the dismissal or discharge of involuntary proceedings filed against it, it being understood that during such sixty (60) day grace period, the Lender shall not be obligated to make draws hereunder and the Lender may seek adequate protection in any bankruptcy proceeding; (iv) the making by the Borrower of an assignment for the benefit of creditors, calling a meeting of creditors for the purpose of effecting a composition or readjustment of its debts, or filing a petition seeking to take advantage of any other law providing for the relief of debtors; (v) any seizure, vesting or intervention by or under authority of a government, by which the management of the Borrower, is displaced or its authority in the conduct of its business is curtailed; (vi) the appointment of any receiver of any material property of the Borrower; (vii) if any warranty, representation, statement, report or certificate made now or hereafter by Borrower to Lender pursuant hereto is untrue or incorrect in any material respect at the time made or delivered; (viii) the Borrower shall contest, dispute or challenge in any manner, whether in a judicial proceeding or otherwise, the validity or enforceability of any material provision set forth herein or any transaction contemplated in this Grid Note; or (ix) if there shall be a material adverse change in the business plan or prospects of Borrower in the reasonable opinion of Lender.

8) Representations: In consideration of the commitment by Lender to make advances hereunder Borrower represents and warrants:

(b) Organization; Authority. The Borrower is duly organized and validly existing and in good standing under the laws of the jurisdiction in which it is formed, and has the requisite power and authorization to own its properties and to carry on its business as now being conducted.

(b) Authorization; Enforcement; Validity. The Borrower has the requisite power and authority to enter into and perform its obligations under this Note in accordance with the terms hereof. The execution and delivery of this Note by the Borrower, and the consummation by the Borrower of the transactions contemplated hereby have been duly authorized by the Borrower’s board of directors. This Note has been duly executed and delivered by the Borrower and constitutes the legal, valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with its respective terms, except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of applicable creditors’ rights and remedies.

(c) No Conflicts. The execution, delivery and performance of the Note by the Borrower and the consummation by the Borrower of its obligations set forth herein will not (i) result in a violation of the Company’s Certificate of Incorporation, as amended and as in effect on the date hereof, the Company’s bylaws, as amended and as in effect on the date hereof, (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Borrower is a party or (iii) result in a violation of any law, rule, regulation, order, judgment or decree applicable to the Borrower.

(d) Consents. The Borrower is not required to obtain any consent from, authorization or order of, or make any filing or registration with, any court, governmental agency or any regulatory or self-regulatory agency in order for it to execute, deliver or perform any of its respective obligations hereunder, except for disclosing the execution of this Note in its filings with the SEC.

9) Reissuance of this Note.

(b) Transfer. If this Note is to be transferred, the Lender shall surrender this Note to the Borrower, whereupon the Borrower will forthwith issue and deliver upon the order of the Lender a new Note (in accordance with Section 9(d)), registered as the Lender may request, representing the outstanding principal being transferred by the Lender and, if less than the entire outstanding principal is being transferred, a new Note (in accordance with Section 9(d)) to the Lender representing the outstanding principal not being transferred. The Lender and any assignee, by acceptance of this Note, acknowledge and agree that, by reason of the provisions of Section 1 following payment of any portion of this Note, the outstanding principal represented by this Note may be less than the principal stated on the face of this Note.

(c) Lost, Stolen or Mutilated Note. Upon receipt by the Borrower of evidence reasonably satisfactory to the Borrower of the loss, theft, destruction or mutilation of this Note (as to which a written certification and the indemnification contemplated below shall suffice as such evidence), and, in the case of loss, theft or destruction, of any indemnification undertaking by the Lender to the Borrower in customary and reasonable form and, in the case of mutilation, upon surrender and cancellation of this Note, the Borrower shall execute and deliver to the Lender a new Note (in accordance with Section 9(d)) representing the outstanding principal.

(d) Note Exchangeable for Different Denominations. This Note is exchangeable, upon the surrender hereof by the Lender at the principal office of the Borrower, for a new Note (in accordance with Section 9(d)) and in principal amounts of at least \$100,000) representing in the aggregate the outstanding principal of this Note, and each such new Note will represent such portion of such outstanding principal as is designated by the Lender at the time of such surrender.

(e) Issuance of New Note. Whenever the Borrower is required to issue a new Note pursuant to the terms of this Note, such new Note (i) shall be of like tenor with this Note, (ii) shall represent, as indicated on the face of such new Note, the principal remaining outstanding (or in the case of a new Note being issued pursuant to Section 9(a) or Section 9(c), the principal designated by the Lender which, when added to the principal represented by the other new Note issued in connection with such issuance, does not exceed the principal remaining outstanding under this Note immediately prior to such issuance of new Note), (iii) shall have an issuance date, as indicated on the face of such new Note, which is the same as the issuance date of this Note, (iv) shall have the same rights and conditions as this Note, and (v) shall represent accrued and unpaid interest and late charges on the principal and interest of this Note, from the issuance date.

10) Governing Law. This Grid Note shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to its rules on conflicts of laws.

11) No Waiver. No failure or delay on the part of the Lender in exercising any right, power, or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right, power, or remedy preclude any other or further exercise thereof or the exercise of any other right, power, or remedy hereunder. The rights and remedies provided herein are cumulative, and are not exclusive of any other rights, powers, privileges, or remedies, now or hereafter existing, at law or in equity or otherwise.

12) Costs and Expenses. Borrower shall reimburse the Lender for all costs and expenses incurred by the Lender in connection with the enforcement of this Grid Note or any document, instrument or agreement relating thereto.

13) Amendments. No amendment, modification, or waiver of any provision of this Grid Note nor consent to any departure by Borrower therefrom shall be effective unless the same shall be in writing and signed by the Lender and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

14) Successors and Assigns. This Grid Note shall be binding upon Borrower and the Lender and their respective heirs, legal representatives, successors and assigns and the terms hereof shall inure to the benefit of Lender and its successors and assigns, including subsequent holders hereof.

By: _____
Name: _____
Title: _____

NOTE ASSIGNMENT AND SUPPLEMENT TO THE INTERCREDITOR AGREEMENT

This Note Assignment and Supplement to the Intercreditor Agreement (the "**Agreement**") is entered into and effective as of August 21, 2017 by and among Function(x) Inc. formerly known as Viggie Inc. (the "**Company**"), Sillerman Investment Company IV, LLC (the "**Assignor**"), and Reaz Islam ("**Assignee**"). Capitalized terms used but not defined herein shall have the meanings given to them in the Note or the Intercreditor Agreement, as applicable.

WHEREAS, reference is hereby made to that certain (i) Line of Credit Grid Promissory Note dated June 11, 2015 (the "**Original Note**") entered into by and between the Assignor and the Company and (ii) First Amendment dated July 20, 2016 (the "**First Amendment**"; the Original Note as amended by the First Amendment, the Second Amendment and as further amended or modified from time to time, the "**Note**");

WHEREAS, the loans under the Note are secured by liens on substantially all of the assets of the Company pursuant to the Security Agreement dated December 30, 2015 (as amended or otherwise modified, the "**Security Agreement**") by and between the Company and the Assignor and are subject to the Intercreditor Agreement dated July 8, 2016 (as amended or otherwise modified, the "**Intercreditor Agreement**") by and among the Company, the Existing Lenders and the New Lender;

WHEREAS, the Assignor desires to: (i) assign a portion of the Original Note, as amended by the First Amendment, in the aggregate principal amount of \$500,000 to the Assignee pursuant to the terms of the promissory note set forth in Annex A hereto (the "**Assignee Promissory Note**") and (ii) amend the Original Note, as amended by the First Amendment, to reduce the principal aggregate amount of such note to \$9,063,000 and to extend the Maturity Date to February 28, 2019 (the "**Second Amendment**");

WHEREAS, the Assignee desires to: (i) assume the obligations to fund up to, and to acquire, \$500,000 of the aggregate principal amount of the the Original Note, as amended by the First Amendment, from the Assignor and (ii) accede to the Intercreditor Agreement.

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

1.1 Note Assignment. Subject to the terms and conditions set forth in this Agreement, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, as of the date hereof (i) the obligations to fund up to \$500,000 on the terms and conditions set forth in the Assignee Promissory Note, (ii) all of the Assignor's rights and obligations in its capacity as a Lender under the Assignee Promissory Note and any other documents or instruments delivered pursuant or in connection thereto (including for the avoidance of doubt, the Security Agreement and the Intercreditor Agreement), and (iii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Assignee Promissory Note, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as, the "**Assigned Interest**").

1.2 Accession to the Intercreditor Agreement. The Assignee hereby confirms receipt of the Intercreditor Agreement and joins in and agrees to be bound by each and all of the provisions of the Intercreditor Agreement on the terms applicable to the "Existing Lenders" for the benefit of the other Lenders.

1.3 Full Force and Effect. Notwithstanding anything to the contrary in this Agreement the terms of the Note and the Intercreditor Agreement shall remain in full force and effect.

1.4 Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of New York.

1.5 Further Assurances. Each party will execute and deliver such further agreements, documents and instruments and take such further action as may be reasonably requested by the other party to carry out the provisions and purposes of this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Note Assignment and Supplement to the Intercreditor Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

ASSIGNOR:

SILLERMAN INVESTMENT COMPANY IV, LLC

By: Robert F. X. Sillerman
Title: Manager

ASSIGNEE:

REAZ ISLAM

AGREED AND ACKNOWLEDGED

FUNCTION(X) INC.

By: _____
Name: Mitchell J. Nelson
Title: Executive Vice President
Annex A

FORM OF LINE OF CREDIT GRID PROMISSORY NOTE

New York, New York
As of August 21, 2017 \$500,000.00

1) **FOR VALUE RECEIVED**, on the Maturity Date, Function(x) Inc., a Delaware corporation formerly known as Viggie Inc. (the "Borrower"), at its offices at 902 Broadway, 11th Floor, New York, New York 10010, promises to pay to the order of Reaz Islam (the "Lender") at its offices, or at such other place as the Lender may designate in writing, the aggregate principal sum of Five Hundred Thousand Dollars (\$500,000) or, if less, the unpaid amount of all draws, plus accrued and unpaid interest due with respect to all outstanding draws, made by the Lender hereunder. This Line of Credit Grid Promissory Note shall be referred to herein as the "Grid Note" or this "Note").

2) **Maturity Date.** The "Maturity Date" shall be the earlier to occur of (i) February 28, 2019 or (ii) upon a Change of Control Transaction, whichever comes first. For purposes hereof, a "Change of Control Transaction" means (i) a sale of all or substantially all of the assets of the Borrower or (ii) the issuance by the Borrower of Common Stock (as defined below) that results in any "person" or "group" (as these terms are used for purposes of Sections 13(d) and 14(d) of the 1934 Act and the rules and regulations promulgated thereunder) becoming the "beneficial owner" (as defined in Rule 13d-3 promulgated under the 1934 Act) of a majority of the aggregate ordinary voting power represented by issued and outstanding Common Stock (other than as a result of, or in connection with, any merger, acquisition, consolidation or other business combination in which the Borrower is the surviving entity following the consummation thereof), excluding, with respect to each of (i) and (ii), transactions with affiliates of the Borrower. For purposes hereof, "Common Stock" means (i) the Borrower's shares of common stock, \$0.001 par value per share, and (ii) any capital stock into which such common stock shall have been changed or any share capital resulting from a reclassification of such common stock.

3) **Interest.** (a) Borrower will pay interest on the unpaid principal amount of all draws from time to time outstanding from the date of each draw until each such draw has been paid in full. Interest shall accrue at the simple interest rate equal to twelve percent (12%) per annum, simple, with respect to each draw.

(b) Borrower will pay interest, calculated at the rate set forth above, upon the Maturity Date or such earlier date upon which any draw is repaid. In addition, Borrower will pay a default rate equal to two percent (2%) per annum in excess of the rate set forth herein if an Event of Default has occurred and is continuing. Notwithstanding the foregoing however, in no event shall interest exceed the maximum legal rate permitted by law. All payments, including insufficient payments, shall be credited, regardless of their designation by Borrower, first to outstanding late charges, then to interest and the remainder, if any, to principal.

4) **Requests for Loans; Disbursement of Proceeds**

Borrower may borrow, and Lender agrees to fund draws hereunder, upon notice of a proposed borrowing, and the requested amount thereof, to the Lender not later than 12:00 Noon (New York time) five (5) days prior to the date on which the proposed borrowing is requested to be made, subject to the satisfaction of all conditions precedent to such draw, including the delivery to the Lender of a funding memorandum substantially in the form attached hereto as Exhibit A (a "Funding Memorandum");

provided, that, the aggregate principal amount of all draws outstanding at any one time shall not exceed \$500,000. Lender shall not be required to fund any draws hereunder unless, as of the date of the delivery of the Funding Memorandum, the Interest Coverage Ratio (as hereinafter defined) is equal to or greater than 1.00, unless such requirement is waived by the Lender. Lender shall not be obligated to fund draws more than once per month. Each notice of borrowing shall be delivered by hand or facsimile transmission. Each such notice shall be irrevocable by and binding on Borrower. Unless otherwise directed in writing by Borrower, the Lender shall promptly disburse the proceeds of such draw made hereunder by crediting the amount thereof as instructed in the applicable Funding Memorandum. The "Interest Coverage Ratio" shall mean the quotient of: (a) the Borrower's net income for the Measurement Period, plus the Borrower's interest expense for the Measurement Period, plus the Borrower's tax expense for the Measurement Period, divided by (b) the Borrower's interest expense for the Measurement Period, plus the amount of interest expense that would be payable on the amount of the requested draw for the twelve months following the date of the Funding Memorandum. For purposes hereof, the "Measurement Period" means the twelve months ended as of the last day of the last completed fiscal quarter prior to the delivery of the Funding Memorandum.

5) Payments and Prepayments: Use of Grid.

(b) The Lender is hereby authorized by Borrower to enter and record on the schedule attached hereto (i) the loan number, (ii) the date of each draw made under this Grid Note, (iii) the dollar amount of the draw, (iv) the applicable interest rate, (v) interest due on Maturity Date, (vi) each payment and prepayment of any draw thereon, and (vii) date of payment, without any further authorization on the part of Borrower or any endorser or guarantor of this Grid Note; provided, however, that the Lender shall promptly deliver to the Borrower a copy of this Grid Note following the entry of each draw hereunder. The entry of a draw on said schedule shall be prima facie and presumptive evidence of the entered draw and its conditions, absent manifest error. The Lender's failure to make an entry, however, shall not limit or otherwise affect the obligations of Borrower or any endorser or guarantor of this Grid Note.

(c) Borrower may make prepayments in whole or in part hereunder at any time, provided accrued, but unpaid interest, is paid through the prepayment date.

(d) If any payment of principal or interest becomes due on a day on which the Lender is closed, such payment shall be made not later than the next succeeding Business Day (a "Business Day" shall be considered to be Monday through Friday from 9am to 5pm local time, excluding weekends and public holidays) and such extension shall be included in computing interest in connection with such payment. All payments by Borrower on account of principal, interest or fees hereunder shall be made in lawful money of the United States of America, in immediately available funds.

6) Use of Proceeds. The proceeds of each draw hereunder shall be used for general corporate and working capital purposes of Borrower. Borrower may use the proceeds to repay existing indebtedness of the Borrower, including indebtedness to Lender or any of its affiliates. Borrower will not, directly or indirectly, use any proceeds of draws hereunder for the purpose of purchasing or carrying any margin stock within the meaning of Regulation X of the Board of Governors of the Federal Reserve System or to extend credit to any person for the purpose of purchasing or carrying any such margin stock, or for any purpose which violates, or is inconsistent with, Regulation X of such Board of Governors.

7) Event of Default. It is expressly agreed that the whole of the indebtedness evidenced by this Grid Note shall immediately become due and payable, at the option of the Lender, on the happening of any default or event constituting an event of default hereunder (each an "Event of Default"). An Event of Default shall occur on: (i) the non-payment of any of the amounts due hereunder within five (5) Business Days after the date such payment is due and payable; (ii) dissolution or liquidation, as applicable, of the Borrower; (iii) any petition in bankruptcy being filed by or against the Borrower or any proceedings in bankruptcy, or under any Acts of Congress relating to the relief of debtors, being commenced for the relief or readjustment of any indebtedness of the Borrower either through reorganization, composition, extension or otherwise; provided, however, that Borrower shall have a sixty (60) day grace period to obtain the dismissal or discharge of involuntary proceedings filed against it, it being understood that during such sixty (60) day grace period, the Lender shall not be obligated to make draws hereunder and the Lender may seek adequate protection in any bankruptcy proceeding; (iv) the making by the Borrower of an assignment for the benefit of creditors, calling a meeting of creditors for the purpose of effecting a composition or readjustment of its debts, or filing a petition seeking to take advantage of any other law providing for the relief of debtors; (v) any seizure, vesting or intervention by or under authority of a government, by which the management of the Borrower, is displaced or its authority in the conduct of its business is curtailed; (vi) the appointment of any receiver of any material property of the Borrower; (vii) if any warranty, representation, statement, report or certificate made now or hereafter by Borrower to Lender pursuant hereto is untrue or incorrect in any material respect at the time made or delivered; (viii) the Borrower shall contest, dispute or challenge in any manner, whether in a judicial proceeding or otherwise, the validity or enforceability of any material provision set forth herein or any transaction contemplated in this Grid Note; or (ix) if there shall be a material adverse change in the business plan or prospects of Borrower in the reasonable opinion of Lender.

8) Representations: In consideration of the commitment by Lender to make advances hereunder Borrower represents and warrants:

(b) Organization; Authority. The Borrower is duly organized and validly existing and in good standing under the laws

of the jurisdiction in which it is formed, and has the requisite power and authorization to own its properties and to carry on its business as now being conducted.

(b) Authorization; Enforcement; Validity. The Borrower has the requisite power and authority to enter into and perform its obligations under this Note in accordance with the terms hereof. The execution and delivery of this Note by the Borrower, and the consummation by the Borrower of the transactions contemplated hereby have been duly authorized by the Borrower's board of directors. This Note has been duly executed and delivered by the Borrower and constitutes the legal, valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with its respective terms, except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies.

(c) No Conflicts. The execution, delivery and performance of the Note by the Borrower and the consummation by the Borrower of its obligations set forth herein will not (i) result in a violation of the Company's Certificate of Incorporation, as amended and as in effect on the date hereof, the Company's bylaws, as amended and as in effect on the date hereof, (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Borrower is a party or (iii) result in a violation of any law, rule, regulation, order, judgment or decree applicable to the Borrower.

(d) Consents. The Borrower is not required to obtain any consent from, authorization or order of, or make any filing or registration with, any court, governmental agency or any regulatory or self-regulatory agency in order for it to execute, deliver or perform any of its respective obligations hereunder, except for disclosing the execution of this Note in its filings with the SEC.

9) Reissuance of this Note.

(b) Transfer. If this Note is to be transferred, the Lender shall surrender this Note to the Borrower, whereupon the Borrower will forthwith issue and deliver upon the order of the Lender a new Note (in accordance with Section 9(d)), registered as the Lender may request, representing the outstanding principal being transferred by the Lender and, if less than the entire outstanding principal is being transferred, a new Note (in accordance with Section 9(d)) to the Lender representing the outstanding principal not being transferred. The Lender and any assignee, by acceptance of this Note, acknowledge and agree that, by reason of the provisions of Section 1 following payment of any portion of this Note, the outstanding principal represented by this Note may be less than the principal stated on the face of this Note.

(c) Lost, Stolen or Mutilated Note. Upon receipt by the Borrower of evidence reasonably satisfactory to the Borrower of the loss, theft, destruction or mutilation of this Note (as to which a written certification and the indemnification contemplated below shall suffice as such evidence), and, in the case of loss, theft or destruction, of any indemnification undertaking by the Lender to the Borrower in customary and reasonable form and, in the case of mutilation, upon surrender and cancellation of this Note, the Borrower shall execute and deliver to the Lender a new Note (in accordance with Section 9(d)) representing the outstanding principal.

(d) Note Exchangeable for Different Denominations. This Note is exchangeable, upon the surrender hereof by the Lender at the principal office of the Borrower, for a new Note (in accordance with Section 9(d)) and in principal amounts of at least \$100,000 representing in the aggregate the outstanding principal of this Note, and each such new Note will represent such portion of such outstanding principal as is designated by the Lender at the time of such surrender.

(e) Issuance of New Note. Whenever the Borrower is required to issue a new Note pursuant to the terms of this Note, such new Note (i) shall be of like tenor with this Note, (ii) shall represent, as indicated on the face of such new Note, the principal remaining outstanding (or in the case of a new Note being issued pursuant to Section 9(a) or Section 9(c), the principal designated by the Lender which, when added to the principal represented by the other new Note issued in connection with such issuance, does not exceed the principal remaining outstanding under this Note immediately prior to such issuance of new Note), (iii) shall have an issuance date, as indicated on the face of such new Note, which is the same as the issuance date of this Note, (iv) shall have the same rights and conditions as this Note, and (v) shall represent accrued and unpaid interest and late charges on the principal and interest of this Note, from the issuance date.

10) Governing Law. This Grid Note shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to its rules on conflicts of laws.

11) No Waiver. No failure or delay on the part of the Lender in exercising any right, power, or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right, power, or remedy preclude any other or further exercise thereof or the exercise of any other right, power, or remedy hereunder. The rights and remedies provided herein

are cumulative, and are not exclusive of any other rights, powers, privileges, or remedies, now or hereafter existing, at law or in equity or otherwise.

12) Costs and Expenses. Borrower shall reimburse the Lender for all costs and expenses incurred by the Lender in connection with the enforcement of this Grid Note or any document, instrument or agreement relating thereto.

13) Amendments. No amendment, modification, or waiver of any provision of this Grid Note nor consent to any departure by Borrower therefrom shall be effective unless the same shall be in writing and signed by the Lender and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

14) Successors and Assigns. This Grid Note shall be binding upon Borrower and the Lender and their respective heirs, legal representatives, successors and assigns and the terms hereof shall inure to the benefit of Lender and its successors and assigns, including subsequent holders hereof.

15) Severability. The provisions of this Grid Note are severable, and if any provision shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall not in any manner affect such provision in any other jurisdiction or any other provision of this Grid Note in any jurisdiction.

16) Amendments. This Grid Note may be modified only by a written instrument executed by Borrower and the Lender.

17) Headings. The headings herein are for convenience only and shall not limit or define the meaning of the provisions of this Grid Note.

18) Jurisdiction; Service of Process. Borrower agrees that in any action or proceeding brought on or in connection with this Grid Note (i) any New York State or Federal court sitting in New York County, New York, shall have jurisdiction of any such action or proceeding, (ii) service of any summons and complaint or other process in any such action or proceeding may be made by the Lender upon Borrower by registered or certified mail directed to Borrower at its address referenced above, Borrower hereby waiving personal service thereof, and (iii) within thirty (30) days after such mailing Borrower shall appear or answer to any summons and complaint or other process, and should Borrower fail to appear to answer within said thirty day period, it shall be deemed in default and judgment may be entered by the Lender against Borrower for the amount as demanded in any summons or complaint or other process so served.

19) WAIVER OF THE RIGHT TO TRIAL BY JURY. BORROWER AND, BY ITS ACCEPTANCE HEREOF, THE LENDER, HEREBY IRREVOCABLY WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM, OR COUNTERCLAIM, WHETHER IN CONTRACT OR TORT, AT LAW OR IN EQUITY, IN ANY MANNER CONNECTED WITH THIS GRID NOTE OR ANY TRANSACTIONS HEREUNDER. NO OFFICER OF THE LENDER HAS AUTHORITY TO WAIVE, CONDITION, OR MODIFY THIS PROVISION.

[Reminder of Page Intentionally Left Blank; Signature Page to Follow]

IN WITNESS WHEREOF, the Borrower and the Lender have caused this Note to be duly executed as of the date first written above.

FUNCTION(X) INC.

By: _____
Name:
Title:

REAZ ISLAM

Very truly yours,

Function(x) Inc.

By: _____
Name: _____
Title: _____

SUPPLEMENT TO THE SECURITY AGREEMENT

THIS SUPPLEMENT TO THE SECURITY AGREEMENT (“**Supplement**”) is made and entered into as of August 21, 2017, by and among Function(x) Inc., a Delaware corporation, formerly known as Viggie Inc. (the “**Borrower**”), Sillerman Investment Company IV, LLC (the “**Initial Secured Party**”) and Reaz Islam (“**Additional Party**”). Capitalized terms used herein but not otherwise defined herein shall have the meaning set forth in the Security Agreement.

RECITALS

A. The Borrower and the Initial Secured Party entered into that certain Line of Credit Grid Promissory Note dated as of June 11, 2015 (the “**Original Note**”) and amended the Original Note by an amendment dated July 20, 2016 (the “**First Amendment**”); as further amended or modified, the “**Note**”).

B. Borrower’s obligations under the Note are secured by liens on substantially all of the assets of the Company pursuant to the Security Agreement dated December 30, 2015 (the “**Security Agreement**”) by and between the Company and the Initial Secured Party.

C. The Additional Party wishes to assume the Initial Secured Party’s obligations to fund up to \$500,000 of the aggregate principal amount of the Note pursuant to the terms and conditions of that certain promissory note dated as of the date hereof (the “**Assignee Promissory Note**”).

D. As a condition to the assumption of the obligations under the Note, the Borrower has agreed to provide a continuing security interest in favor of the Additional Secured Party in and to the Collateral (as defined in the Security Agreement) to secure such obligations and to join it as an additional “Secured Party” under such Security Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Joinder of Additional Secured Party.

a. The New Party is hereby joined to the Security Agreement as “Secured Party” thereunder and the definition of the Secured Party in the Security Agreement is hereby amended to include Reaz Islam.

2. Amendment to Section 8(b). Clause (b) of Section 8 is hereby deleted in its entirety and replaced with the following:

“THIS SECURITY AGREEMENT SHALL BE GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK (INCLUDING FOR SUCH PURPOSE SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK), EXCEPT TO THE EXTENT THAT THE VALIDITY OR PERFECTION OF THE SECURITY INTEREST HEREUNDER, OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR COLLATERAL ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK.

ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS SECURITY AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF ANY PARTY HERETO IN CONNECTION HERewith SHALL BE BROUGHT AND MAINTAINED IN THE COURTS OF THE COUNTY OF NEW YORK IN THE STATE OF NEW YORK OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK AND EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF EACH SUCH COURT; PROVIDED THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT THE SECURED PARTY’S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE SUCH COLLATERAL OR OTHER PROPERTY MAY BE FOUND.

EACH PARTY HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS SECURITY AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF ANY OTHER PARTY HERETO IN CONNECTION THEREWITH. EACH PARTY HERETO ACKNOWLEDGES AND AGREES THAT IT HAS RECEIVED FULL AND SUFFICIENT CONSIDERATION FOR THIS PROVISION AND THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE OTHER PARTIES HERETO IN ENTERING INTO THIS SECURITY AGREEMENT.”

3. Security Agreement. The Borrower hereby represents and warrants that all its obligations under the Assignee Promissory Note shall be deemed “Obligations” under the Security Agreement and represents and warrants that after giving effect to this Supplement, all representations and warranties and covenants contained in the Security Agreement are true and correct as of the date hereof, as if such representations and warranties were set forth at length herein.

4. Miscellaneous.

(a) This Supplement is hereby incorporated into the Security Agreement and made a part thereof.

(b) As modified hereby, the provisions of the Security Agreement shall continue in full force and effect.

(c) In case any of the provisions of this Supplement shall for any reason be held to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Supplement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

(d) The Borrower hereby acknowledges and agrees that it has entered into this Supplement of its own free will and accord and in accordance with its own judgment after advice of its own legal counsel, and states that it has not been induced to enter into this Supplement by any statement, act or representation of any kind or character on the part of the parties hereto, except as expressly set forth in this Supplement.

(e) This Supplement shall be binding upon and enforceable against the Borrower and its successors and assigns, and shall inure to the benefit of and be enforceable by each Secured Party and its successors and assigns.

(f) This Supplement may be executed in multiple counterparts, each of which shall constitute an original instrument, but all of which shall constitute one and the same agreement.

(g) **THIS SUPPLEMENT AND THE SECURITY AGREEMENT REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.** In the event of any inconsistency between this Supplement and the terms of the Security Agreement, this Supplement shall govern.

[Signature Page Follows]

EXECUTED to be effective as of the date first written above.

BORROWER:

FUNCTION(X) INC.

By: _____
Name: Mitchell J. Nelson
Title: Executive Vice President

SECURED PARTIES:

SILLERMAN INVESTMENT COMPANY IV, LLC

By: _____
Name: Robert F. X. Sillerman
Title: Manager

REAZ ISLAM

SECOND AMENDMENT TO LINE OF CREDIT GRID PROMISSORY NOTE

THIS SECOND AMENDMENT TO THE LINE OF CREDIT GRID PROMISSORY NOTE (“**Amendment**”) is made and entered into as of August 21, 2017, by and between Function(x) Inc., a Delaware corporation formerly known as Viggle Inc. (the “**Borrower**”), and Sillerman Investment Company IV, LLC (the “**Lender**”).

RECITALS

A. The Borrower and the Lender entered into that certain Line of Credit Grid Promissory Note dated as of June 11, 2015 (the “**Original Note**”) and amended the Original Note by an amendment dated July 20, 2016 (the “**First Amendment**”); the Original Note, as amended by the First Amendment and this Amendment, the “**Line of Credit Note**”). Capitalized terms used herein but not otherwise defined herein shall have the meaning set forth in the Line of Credit Note.

B. The Borrower and the Lender wish to enter into this Amendment to reduce the principal amount of the Line of Credit Note to \$9,063,000 and to extend the Maturity Date to February 28, 2019.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Recitals. The recitals above are hereby incorporated herein and affirmed as true and correct as written.

2. Amendments to the Line of Credit Note

a. The aggregate principal amount of the Line of Credit Note shall be reduced from \$9,563,000 to \$9,063,000.

b. Clause (i) of the first sentence of Section 2 shall be deleted and replaced with: “(i) February 28, 2019 or”.

c. The first sentence of Section 4 of the Line of Credit Note shall be deleted in its entirety and the following shall be inserted in replacement thereof:

“ The Borrower may borrow, and the Lender agrees to fund draws hereunder, upon notice of a proposed borrowing, and the requested amount thereof, to the Lender not later than 12:00 Noon (New York time) five (5) days prior to the date on which the proposed borrowing is requested to be made, subject to the satisfaction of all conditions precedent to such draw, including the delivery to the Lender of a funding memorandum substantially in the form attached hereto as Exhibit A (a “**Funding Memorandum**”); provided, provided that, the aggregate principal amount of all draws outstanding at any one time shall not exceed \$9,063,000.

3. Security Agreement. The Borrower acknowledges and agrees that the Security Agreement, dated as of December 30, 2015, as amended or modified (the “**Security Agreement**”), is in full force and effect, and all draws under the Line of Credit Note, including without limitation any additional draws pursuant to this Amendment, shall be deemed “Obligations” as defined in the Security Agreement.

4. Reaffirmation of Representations, Etc. The Borrower hereby reaffirms to the Lender, after giving effect to this Amendment, each of its representations, warranties, covenants and agreements as set forth in the Line of Credit Note.

5. Enforceable Obligations. The Borrower hereby ratifies, affirms, reaffirms, acknowledges, confirms and agrees that the Line of Credit Note and the Security Agreement represent valid and enforceable obligations of the Borrower and acknowledges that there are no existing claims, defenses, personal or otherwise, or rights of setoff whatsoever with respect to the Line of Credit Note. The Borrower further acknowledges and represents that no event has occurred and no condition exists which would constitute a default under the Line of Credit Note, either with or without notice or lapse of time, or both.

6. No Additional Terms. Notwithstanding anything to the contrary contained herein or inferred hereby or in any other instrument executed by the Borrower or in any other action or conduct undertaken by the Borrower on or before the date hereof, the agreements, covenants and provisions contained herein shall constitute the only evidence of the Lender’s consent to modify the terms and provisions of the Line of Credit Note in the manner set forth herein. No express or implied consent to any further modifications involving any of the matters set forth in this Amendment or otherwise, shall be inferred or implied from the Lender’s execution of this Amendment.

7. Miscellaneous.

(a) As modified hereby, the provisions of the Line of Credit Note shall continue in full force and effect. In the event of any inconsistency between this Amendment and the terms of the Line of Credit Note, this Amendment shall govern.

(b) Any default by the Borrower in the performance of its obligations herein contained shall constitute a default under the Line of Credit Note and shall allow the Lender to exercise all of the remedies set forth in the Line of Credit Note.

(c) The Lender does not, by its execution of this Amendment, waive any rights it may have against any person not a party to this Amendment.

(d) In case any of the provisions of this Amendment shall for any reason be held to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Amendment shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

(e) This Amendment shall be governed and construed according to the laws of the State of New York (without regard to any conflict of laws principles) and the applicable laws of the United States. Venue shall be the City of New York, Borough of Manhattan.

(f) This Amendment shall be binding upon and inure to the benefit of the Lender, the Borrower and their respective successors, assigns and legal representatives.

(g) The Borrower hereby acknowledges and agrees that it has entered into this Amendment of its own free will and accord and in accordance with its own judgment after advice of its own legal counsel, and states that it has not been induced to enter into this Amendment by any statement, act or representation of any kind or character on the part of the parties hereto, except as expressly set forth in this Amendment.

(h) This Amendment may be executed in multiple counterparts, each of which shall constitute an original instrument, but all of which shall constitute one and the same agreement.

(i) Except as modified herein, all other terms, conditions and provisions of the Line of Credit Note shall remain in full force and effect as of the date thereof and the Borrower acknowledges and reaffirms its liability to the Lender hereunder.

(j) **THIS AMENDMENT AND THE LINE OF CREDIT NOTE AS AMENDED BY THIS AMENDMENT, REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.**

[Signature Page Follows]

EXECUTED to be effective as of the date first written above.

BORROWER:

FUNCTION(X) INC.

By: _____
Name: Mitchell J. Nelson
Title: Executive Vice President

LENDER:

SILLERMAN INVESTMENT COMPANY IV, LLC

By: _____
Name: Robert F. X. Sillerman
Title: Manager

EXHIBIT A

FUNDING MEMORANDUM

_____, 2017

Dear _____:

We hereby request that you make available in our account No. _____ the amount of \$ _____, and which shall constitute a draw under the Line of Credit Grid Promissory Note made by Function(x) Inc. ("Borrower") to the order of Sillerman Investment Company IV LLC (the "Lender") dated as of June 11, 2015 (as amended by First Amendment dated July 20, 2016 and Second Amendment dated August 21, 2017 and further amended from time to time, the "Grid Note").

Under the Grid Note, the Lender is authorized to enter and record on the schedule attached thereto (i) the loan number, (ii) the date of each draw, (iii) the Commitment Amount, (iv) the dollar amount of the draw, (v) the Maturity Date of the draw, (vi) the interest rate, (vii) interest due on Maturity Date, (viii) each payment of any draw and (ix) date of payment, without any further authorization on the part of Borrower.

Borrower represents, warrants and certifies to Lender as follows:

(a) there does not exist any known deficiency in any of the documents identified in this Funding Memorandum, and Borrower agrees that any deficiencies subsequently discovered will be promptly reported to the Lender;

(b) both before and after funding the draw requested hereunder Borrower is not in default, no Event of Default exists, and no Event of Default shall result from the making of the draw requested hereunder;

(c) all of the representations and warranties of Borrower contained herein and in the Grid Note are true and correct in all material respects to the same extent as though made on and as of any making of the draw requested hereunder;

(d) the Interest Coverage Ratio, as defined in the Grid Note, for the twelve months ended as of the last day of the last completed fiscal quarter prior to the date hereof is equal to or greater than 1.00; and

(e) after giving effect to the amount of the requested draw, the aggregate amount of outstanding draws under the Grid Note do not exceed \$9,063,000;

or, if any of the foregoing representations and warranties set forth in items (a) through (e) above are not true, and the Borrower requests a waiver of such item, so indicate:

Very truly yours,

Function(x) Inc.

By: _____
Name:
Title: