
UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2021

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: 001-33520

comScore, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

54-1955550

(I.R.S. Employer Identification Number)

11950 Democracy Drive, Suite 600

Reston, Virginia 20190

(Address of Principal Executive Offices)

(703) 438-2000

(Registrant's Telephone Number, Including Area Code)

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

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, par value \$0.001 per share	SCOR	NASDAQ Global Select Market

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 every Interactive Data File required to be submitted 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 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	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date: As of May 4, 2021, there were 80,686,147 shares of the registrant's Common Stock outstanding.

COMSCORE, INC.

QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTER ENDED MARCH 31, 2021

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

We may make certain statements, including in this Quarterly Report on Form 10-Q, or 10-Q, including the information contained in [Item 2](#), "Management's Discussion and Analysis of Financial Condition and Results of Operations", and the information incorporated by reference in this 10-Q, that constitute forward-looking statements within the meaning of federal and state securities laws. Forward-looking statements are all statements other than statements of historical fact. We attempt to identify these forward-looking statements by words such as "may," "will," "should," "could," "might," "expect," "plan," "anticipate," "believe," "estimate," "target," "goal," "predict," "intend," "potential," "continue," "seek" and other comparable words. Similarly, statements that describe our business strategy, goals, prospects, opportunities, outlook, objectives, plans or intentions are also forward-looking statements. These statements may relate to, but are not limited to, expectations of future operating results or financial performance; expectations regarding the impact on our business of the coronavirus ("COVID-19") pandemic and global measures to mitigate the spread of the virus; macroeconomic trends that we expect may influence our business, including any recession or changes in consumer behavior resulting from the COVID-19 pandemic; plans for business continuity, financing and capital expenditures; expectations regarding liquidity, customer payments and compliance with financing covenants and other payment obligations; expectations regarding enhanced commercial relationships and the development and introduction of new products; effects of restructuring, remote work arrangements and other employment actions; regulatory compliance and expected changes in the regulatory or privacy landscape affecting our business; expected impact of litigation and regulatory proceedings; and plans for stabilization, growth and future operations, as well as assumptions relating to the foregoing.

Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. These statements are based on expectations and assumptions as of the date of this 10-Q regarding future events and business performance and involve known and unknown risks, uncertainties and other factors that may cause actual events or results to be materially different from any future events or results expressed or implied by these statements. These factors include those set forth in the following discussion and within [Item 1A](#), "Risk Factors" of this 10-Q and elsewhere within this report; those identified within [Item 1A](#), "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2020; and those identified in other documents that we file from time to time with the U.S. Securities and Exchange Commission, or SEC.

We believe that it is important to communicate our future expectations to our investors. However, there may be events in the future that we are not able to accurately predict or control and that may cause our actual results to differ materially from the expectations we describe in our forward-looking statements. You should not place undue reliance on forward-looking statements, which apply only as of the date of this 10-Q. You should carefully review the risk factors described in this 10-Q and in other documents that we file from time to time with the SEC. Except as required by applicable law, including the rules and regulations of the SEC, we undertake no obligation, and expressly disclaim any duty, to publicly update or revise forward-looking statements, whether as a result of any new information, future events or otherwise. Although we believe the expectations reflected in the forward-looking statements are reasonable as of the date of this 10-Q, our statements are not guarantees of future results, levels of activity, performance, or achievements, and actual outcomes and results may differ materially from those expressed in, or implied by, any of our statements.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

COMSCORE, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and par value data)

	As of March 31, 2021 (Unaudited)	As of December 31, 2020
Assets		
Current assets:		
Cash and cash equivalents	\$ 29,075	\$ 31,126
Restricted cash	4,797	19,615
Accounts receivable, net of allowances of \$1,711 and \$2,757, respectively (\$1,868 and \$4,045 of accounts receivable attributable to related parties, respectively)	61,540	69,379
Prepaid expenses and other current assets (\$811 and \$1,496 attributable to related parties, respectively)	12,048	16,910
Total current assets	107,460	137,030
Property and equipment, net	30,286	30,973
Operating right-of-use assets	30,656	28,959
Goodwill	417,339	418,327
Intangible assets, net	45,901	52,340
Deferred tax assets	2,787	2,741
Other non-current assets	9,207	7,600
Total assets	\$ 643,636	\$ 677,970
Liabilities, Convertible Redeemable Preferred Stock and Stockholders' Equity		
Current liabilities:		
Accounts payable (\$7,296 and \$2,817 attributable to related parties, respectively)	\$ 36,843	\$ 36,640
Accrued expenses (\$6,348 and \$835 attributable to related parties, respectively)	50,674	48,380
Contract liabilities (\$2,168 and \$3,538 attributable to related parties, respectively)	54,472	58,529
Customer advances	14,567	12,477
Warrants liability	12,832	2,831
Current operating lease liabilities	6,551	7,024
Secured term note	—	12,644
Other current liabilities (\$935 and \$— attributable to related parties, respectively)	5,248	5,750
Total current liabilities	181,187	184,275
Non-current operating lease liabilities	38,212	36,127
Non-current contract liabilities	3,936	4,156
Deferred tax liabilities	1,331	627
Senior secured convertible notes (related party)	—	192,895
Financing derivatives (related party)	—	11,300
Other non-current liabilities (\$2,183 and \$6,120 attributable to related parties, respectively)	12,379	19,600
Total liabilities	237,045	448,980
Commitments and contingencies		
Convertible redeemable preferred stock, \$0.001 par value; 82,527,609 and zero shares authorized, issued and outstanding as of March 31, 2021 and December 31, 2020, respectively; aggregate liquidation preference of \$204,935 as of March 31, 2021 (related parties)	188,183	—
Stockholders' equity:		
Preferred stock, \$0.001 par value; 7,472,391 and 5,000,000 shares authorized as of March 31, 2021 and December 31, 2020, respectively; no shares issued or outstanding as of March 31, 2021 or December 31, 2020	—	—
Common stock, \$0.001 par value; 275,000,000 and 150,000,000 shares authorized as of March 31, 2021 and December 31, 2020, respectively; 87,450,943 shares issued and 80,686,147 shares outstanding as of March 31, 2021, and 79,703,342 shares issued and 72,938,546 shares outstanding as of December 31, 2020	81	73
Additional paid-in capital	1,650,837	1,621,986
Accumulated other comprehensive loss	(9,181)	(7,030)
Accumulated deficit	(1,193,345)	(1,156,055)
Treasury stock, at cost, 6,764,796 shares as of March 31, 2021 and December 31, 2020	(229,984)	(229,984)
Total stockholders' equity	218,408	228,990
Total liabilities, convertible redeemable preferred stock and stockholders' equity	\$ 643,636	\$ 677,970

See accompanying Notes to Condensed Consolidated Financial Statements.

COMSCORE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited)
(In thousands, except share and per share data)

	Three Months Ended March 31,	
	2021	2020
Revenues ⁽¹⁾	\$ 90,330	\$ 89,528
Cost of revenues ^{(1) (2) (3) (4)}	52,702	45,798
Selling and marketing ^{(2) (3) (4)}	17,827	19,213
Research and development ^{(2) (3) (4)}	10,353	10,136
General and administrative ^{(2) (3) (4)}	14,468	15,543
Amortization of intangible assets	6,439	6,918
Impairment of right-of-use and long-lived assets	—	4,671
Total expenses from operations	101,789	102,279
Loss from operations	(11,459)	(12,751)
Loss on extinguishment of debt ⁽¹⁾	(9,629)	—
Other (expense) income, net	(8,274)	7,194
Interest expense, net ⁽¹⁾	(7,045)	(8,846)
Gain from foreign currency transactions	1,074	804
Loss before income taxes	(35,333)	(13,599)
Income tax (provision) benefit	(1,022)	415
Net loss	\$ (36,355)	\$ (13,184)
Net loss available to common stockholders:		
Net loss	\$ (36,355)	\$ (13,184)
Convertible redeemable preferred stock dividends accrued but not yet paid ⁽¹⁾	(935)	—
Total net loss available to common stockholders	\$ (37,290)	\$ (13,184)
Net loss per common share:		
Basic and diluted	\$ (0.49)	\$ (0.19)
Weighted-average number of shares used in per share calculation - Common Stock:		
Basic and diluted	76,147,342	70,127,939
Comprehensive loss:		
Net loss	\$ (36,355)	\$ (13,184)
Other comprehensive loss:		
Foreign currency cumulative translation adjustment	(2,151)	(2,873)
Total comprehensive loss	\$ (38,506)	\$ (16,057)

(1) Transactions with related parties are included in the line items above (refer to [Footnote 8](#), Related Party Transactions, of the Notes to Condensed Consolidated Financial Statements for additional information).

(2) Excludes amortization of intangible assets, which is presented as a separate line item.

(3) Stock-based compensation expense is included in the line items above as follows:

	Three Months Ended March 31,	
	2021	2020
Cost of revenues	\$ 855	\$ 209
Selling and marketing	955	609
Research and development	642	56
General and administrative	2,485	1,784
Total stock-based compensation expense	\$ 4,937	\$ 2,658

(4) Lease cost, net of sublease income, is included in the line items above as follows:

	Three Months Ended March 31,	
	2021	2020
Operating lease cost		
Cost of revenues	\$ 815	\$ 891
Selling and marketing	905	1,099
Research and development	615	601
General and administrative	443	683
Total operating lease cost	<u>\$ 2,778</u>	<u>\$ 3,274</u>
Amortization of right-of-use assets		
Cost of revenues	\$ 328	\$ 285
Selling and marketing	49	41
Research and development	40	44
General and administrative	26	20
Total amortization of right-of-use assets	<u>\$ 443</u>	<u>\$ 390</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

COMSCORE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CONVERTIBLE REDEEMABLE PREFERRED STOCK AND STOCKHOLDERS' EQUITY
(Unaudited)
(In thousands, except share data)

	Convertible Redeemable Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Treasury stock, at cost	Total Stockholders' Equity
	Shares	Amount	Shares	Amount					
Balance as of December 31, 2020	—	\$ —	72,938,546	\$ 73	\$1,621,986	\$ (7,030)	\$ (1,156,055)	\$ (229,984)	\$ 228,990
Net loss	—	—	—	—	—	—	(36,355)	—	(36,355)
Convertible redeemable preferred stock, net of issuance costs	82,527,609	188,183	—	—	—	—	—	—	—
Convertible redeemable preferred stock dividends accrued but not yet paid	—	—	—	—	—	—	(935)	—	(935)
Interest paid in Common Stock	—	—	4,165,781	4	10,808	—	—	—	10,812
Conversion shares issued as extinguishment cost on senior secured convertible notes	—	—	3,150,000	3	9,605	—	—	—	9,608
Restricted stock units distributed	—	—	442,051	1	—	—	—	—	1
Settlement of restricted stock unit liability	—	—	—	—	7,117	—	—	—	7,117
Amortization of stock-based compensation	—	—	—	—	1,358	—	—	—	1,358
Foreign currency translation adjustment	—	—	—	—	—	(2,151)	—	—	(2,151)
Payments for taxes related to net share settlement of equity awards	—	—	(10,231)	—	(37)	—	—	—	(37)
Balance as of March 31, 2021	82,527,609	\$ 188,183	80,686,147	\$ 81	\$1,650,837	\$ (9,181)	\$ (1,193,345)	\$ (229,984)	\$ 218,408

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Treasury stock, at cost	Total Stockholders' Equity
	Shares	Amount					
Balance as of December 31, 2019	70,065,130	\$ 70	\$1,609,358	\$ (12,333)	\$ (1,108,137)	\$ (229,984)	\$ 258,974
Net loss	—	—	—	—	(13,184)	—	(13,184)
Foreign currency translation adjustment	—	—	—	(2,873)	—	—	(2,873)
Restricted stock units distributed	157,384	—	—	—	—	—	—
Payments for taxes related to net share settlement of equity awards	(15,597)	—	(65)	—	—	—	(65)
Amortization of stock-based compensation	—	—	2,609	—	—	—	2,609
Balance as of March 31, 2020	70,206,917	\$ 70	\$1,611,902	\$ (15,206)	\$ (1,121,321)	\$ (229,984)	\$ 245,461

See accompanying Notes to Condensed Consolidated Financial Statements.

COMSCORE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

	Three Months Ended March 31,	
	2021	2020
Operating activities:		
Net loss	\$ (36,355)	\$ (13,184)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Change in fair value of warrants liability	10,001	(4,651)
Loss on extinguishment of debt	9,629	—
Amortization of intangible assets	6,439	6,918
Stock-based compensation expense	4,937	2,658
Non-cash interest expense on senior secured convertible notes (related party)	4,692	—
Depreciation	4,054	3,384
Accretion of debt discount	1,620	1,769
Non-cash operating lease expense	1,262	1,369
Deferred tax provision	638	42
Amortization expense of finance leases	443	390
Amortization of deferred financing costs	320	348
Change in fair value of financing derivatives	(1,800)	(2,387)
Impairment of right-of-use and long-lived assets	—	4,671
Other	120	492
Changes in operating assets and liabilities:		
Accounts receivable	7,326	2,820
Prepaid expenses and other assets	3,119	(1,022)
Accounts payable, accrued expenses and other liabilities	4,970	(9,522)
Contract liabilities and customer advances	(2,085)	2,893
Operating lease liabilities	(1,442)	(1,769)
Net cash provided by (used in) operating activities	17,888	(4,781)
Investing activities:		
Capitalized internal-use software costs	(3,535)	(3,872)
Purchases of property and equipment	(157)	(45)
Net cash used in investing activities	(3,692)	(3,917)
Financing activities:		
Principal payment and extinguishment costs on senior secured convertible notes (related party)	(204,014)	—
Principal payment and extinguishment costs on secured term note	(14,031)	—
Principal payments on finance leases	(466)	(407)
Principal payments on software license arrangements	(112)	(77)
Payments for taxes related to net share settlement of equity awards	(37)	(65)
Proceeds from issuance of convertible redeemable preferred stock, net of issuance costs (related parties)	188,183	—
Net cash used in financing activities	(30,477)	(549)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(588)	(927)
Net decrease in cash, cash equivalents and restricted cash	(16,869)	(10,174)
Cash, cash equivalents and restricted cash at beginning of period	50,741	66,773
Cash, cash equivalents and restricted cash at end of period	\$ 33,872	\$ 56,599
As of March 31,		
	2021	2020
Cash and cash equivalents	\$ 29,075	\$ 36,927
Restricted cash	4,797	19,672
Total cash, cash equivalents and restricted cash	\$ 33,872	\$ 56,599

	Three Months Ended March 31,	
	2021	2020
Supplemental cash flow disclosures:		
Interest paid (\$— and \$6,120 attributable to related party, respectively)	\$ 462	\$ 6,795
Income taxes paid, net of refunds	335	338
Supplemental disclosures of non-cash investing and financing activities:		
Interest paid in Common Stock (related party)	\$ 10,812	\$ —
Conversion shares issued as extinguishment cost on senior secured convertible notes (related party)	9,608	—
Settlement of restricted stock unit liability	7,118	—
Right-of-use assets obtained in exchange for operating lease liabilities	2,977	—
Convertible redeemable preferred stock dividends accrued but not yet paid (related parties)	935	—
Change in accounts payable and accrued expenses related to capital expenditures	553	423

See accompanying Notes to Condensed Consolidated Financial Statements.

COMSCORE, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Organization

comScore, Inc., together with its consolidated subsidiaries (collectively, "Comscore" or the "Company"), headquartered in Reston, Virginia, is a global information and analytics company that measures audiences, consumer behavior and advertising across media platforms.

Operating segments are defined as components of a business that can earn revenues and incur expenses for which discrete financial information is available that is evaluated on a regular basis by the chief operating decision maker ("CODM"). The Company's CODM is its Chief Executive Officer, who decides how to allocate resources and assess performance. The Company has one operating segment. A single management team reports to the CODM, who manages the entire business. The Company's CODM reviews consolidated results of operations to make decisions, allocate resources and assess performance and does not evaluate the profit or loss from any separate geography or product line.

Uses and Sources of Liquidity and Management's Plans

The Company's primary need for liquidity is to fund working capital requirements and capital expenditures of its business. The Company has secured the following long-term financing in order to increase its available working capital:

- On January 7, 2021, the Company entered into separate Securities Purchase Agreements with each of Charter Communications Holding Company, LLC ("Charter"), Qurate Retail, Inc. ("Qurate") and Pine Investor, LLC ("Pine") (the "Securities Purchase Agreements"). The issuance of securities pursuant to the Securities Purchase Agreements (the "Transactions") and related matters were approved by the Company's stockholders on March 9, 2021 and completed on March 10, 2021. At the closing of the Transactions, the Company issued and sold (a) to Charter, 27,509,203 shares of Series B Convertible Preferred Stock ("Preferred Stock") in exchange for \$68.0 million, (b) to Qurate, 27,509,203 shares of Preferred Stock in exchange for \$68.0 million and (c) to Pine, 27,509,203 shares of Preferred Stock in exchange for \$68.0 million. The proceeds from the Transactions were used to repay the Company's senior secured convertible notes. In addition, the Company repaid its secured term note and certain transaction-related expenses with cash from its balance sheet. For additional information on the Transactions and related debt extinguishment, refer to [Footnote 4, Debt](#) and [Footnote 5, Convertible Redeemable Preferred Stock and Stockholders' Equity](#).
- On June 26, 2019, the Company issued 2,728,513 shares of Common Stock and four series of warrants in a private placement to CVI Investments, Inc. ("CVI") in exchange for gross cash proceeds of \$20.0 million. On October 14, 2019, the Company issued 2,728,513 shares of Common Stock to CVI upon exercise by CVI of the Series C warrant. On March 10, 2021, upon closing of the Transactions, the exercise price of the Series A warrant was adjusted pursuant to an antidilution provision in the warrant. For additional information, refer to [Footnote 5, Convertible Redeemable Preferred Stock and Stockholders' Equity](#).

Repayment of the senior secured convertible notes and the secured term note strengthened the Company's financial position and resulted in the termination of the affirmative and negative covenants set forth in those instruments, including covenants requiring maintenance of certain minimum cash balances. In addition, repayment eliminated the 12.0% annual interest payable under the senior secured convertible notes, which was replaced by a 7.5% annual dividend payable on the Preferred Stock.

2. Summary of Significant Accounting Policies

Basis of Presentation and Consolidation

The accompanying Condensed Consolidated Financial Statements include the accounts of the Company and its wholly-owned domestic and foreign subsidiaries. All intercompany transactions and balances are eliminated upon consolidation.

Unaudited Interim Financial Information

The interim Condensed Consolidated Financial Statements included in this quarterly report have been prepared by the Company and are unaudited, pursuant to the rules and regulations of the United States Securities and Exchange Commission ("SEC"). Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles in the United States ("GAAP") have been condensed or omitted pursuant to such rules and regulations. However, the Company believes that the disclosures contained in this quarterly report comply with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), for a quarterly report on Form 10-Q and are adequate to make the information presented not misleading. The interim Condensed Consolidated Financial Statements included herein reflect all adjustments (consisting of normal recurring adjustments) which are, in the opinion of management, necessary for a fair presentation of the financial position, results of operations and cash flows for the interim periods presented. These interim Condensed Consolidated

Financial Statements should be read in conjunction with the Consolidated Financial Statements and Notes thereto contained in the Company's Annual Report on [Form 10-K](#) for the year ended December 31, 2020 (the "2020 10-K"). The Condensed Consolidated Results of Operations for the three months ended March 31, 2021 are not necessarily indicative of the results to be anticipated for the entire year ending December 31, 2021 or thereafter. All references to March 31, 2021 and 2020 in the Notes to Condensed Consolidated Financial Statements are unaudited.

Use of Estimates and Judgments in the Preparation of the Condensed Consolidated Financial Statements

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expense during the reporting periods. Significant estimates and judgments are inherent in the analysis and the measurement of management's standalone selling price, principal versus agent revenue recognition, determination of performance obligations, determination of transaction price, including the determination of variable consideration and allocation of transaction price to performance obligations, deferred tax assets and liabilities, including the identification and quantification of income tax liabilities due to uncertain tax positions, the valuation and recoverability of goodwill, intangible and other long-lived assets, the determination of appropriate discount rates for lease accounting, the probability of exercising either lease renewal or termination clauses, the assessment of potential loss from contingencies, the fair value determination of financing-related liabilities and warrants, the allowance for doubtful accounts, and the valuation of options, performance-based and market-based stock awards. Management bases its estimates and assumptions on historical experience and on various other factors that are believed to be reasonable under the circumstances.

Due to the inherent uncertainty involved in making estimates, particularly in the current environment, actual results reported in future periods may be affected by changes in those estimates. The Company evaluates its estimates and assumptions on an ongoing basis.

Loss on Extinguishment of Debt

The Company applies the provisions of Accounting Standards Codification ("ASC") 470, *Debt*, to determine whether amendments to, or repayments of, its debt agreements should be accounted for as a modification or extinguishment event. Loss on extinguishment of debt represents the difference between the carrying value of the Company's debt instruments and any consideration paid to its creditors in the form of cash or shares of the Company's Common Stock on the extinguishment date.

In the three months ended March 31, 2021, the Company recorded a \$9.6 million loss on debt extinguishment related to the payoff of the senior secured convertible notes (the "Notes") and the secured promissory note (the "Secured Term Note") on March 10, 2021. These transactions are described in [Footnote 4, Debt](#).

Other (Expense) Income, Net

	Three Months Ended March 31,	
	2021	2020
(In thousands)		
Change in fair value of financing derivatives	\$ 1,800	\$ 2,387
Change in fair value of warrants liability	(10,001)	4,651
Other	(73)	156
Total other (expense) income, net	\$ (8,274)	\$ 7,194

Preferred Stock

On March 10, 2021, in connection with the Securities Purchase Agreements described in [Footnote 1, Organization](#), the Company issued 82,527,609 shares of Preferred Stock in exchange for gross cash proceeds of \$204.0 million. The shares were issued at a par value of \$0.001. Net proceeds from the Transactions totaled \$188.2 million after deducting issuance costs.

The holders of the Preferred Stock are entitled to cumulative annual dividends to be paid on June 30 of each year. The annual dividend accrues on a daily basis from and including the issuance date of such share, whether or not declared, at a rate of 7.5% per annum. In the event the annual dividends are not paid in cash on the annual payment date, the dividends shall continue to accrue at a dividend rate of 9.5%.

The Preferred Stock includes a change of control put option which allows the holders of the Preferred Stock to require the Company to repurchase such holders' shares in cash in an amount equal to the initial purchase price plus accrued dividends. The change of control put option was determined to be a derivative liability under ASC 815, *Derivatives and Hedging*. As of March 31, 2021, the probability of a change of control was determined to be remote, and the fair value of the change of control derivative was determined to be negligible.

The Preferred Stock is contingently redeemable upon certain deemed liquidation events, such as a change in control. Because a deemed liquidation event could constitute a redemption event outside of the Company's control, all shares of Preferred Stock have been presented outside of permanent equity in mezzanine equity on the Condensed Consolidated Balance Sheets. The instrument is initially recognized at fair value net of issuance costs. The Company reassesses whether the Preferred Stock is currently redeemable,

or probable to become redeemable in the future, as of each reporting date. If the instrument meets either of these criteria, the Company will accrete the carrying value to the redemption value. The Preferred Stock has not been adjusted to its redemption amount as of March 31, 2021 because a deemed liquidation event is not considered probable.

All financial instruments that are classified as mezzanine equity are evaluated for embedded derivative features by evaluating each feature against the nature of the host instrument (e.g. more equity-like or debt-like). Features identified as embedded derivatives that are material are recognized separately as a derivative asset or liability in the consolidated financial statements.

Effective January 1, 2021, the Company early adopted Accounting Standards Update ("ASU") 2020-06, *Debt—Debt with Conversion and Other Options* (Subtopic 470-20) and *Derivatives and Hedging—Contracts in Entity's Own Equity* (Subtopic 815-40). This ASU simplifies accounting for convertible instruments, enhances disclosure requirements related to the terms and features of convertible instruments, and amends the guidance for the derivatives scope exception for contracts settled in an entity's own equity. This ASU removes from GAAP the separation models for (1) convertible debt with a Cash Conversion Feature and (2) convertible instruments with a Beneficial Conversion Feature. Upon adoption of this new ASU, entities will account for a convertible debt instrument wholly as debt, and for convertible preferred stock wholly as preferred stock, unless (1) a convertible instrument contains features that require bifurcation as a derivative under ASC 815, or (2) a convertible debt instrument was issued at a substantial premium.

As a result of the adoption, no embedded features were identified requiring bifurcation under the new model, other than the change of control redemption feature. The Company adopted the standard using the modified retrospective approach. The standard had no impact on the senior secured convertible notes issued by the Company and, as a result, there was no cumulative adjustment recorded upon adoption.

Income Taxes

The Company anticipates the Transactions will trigger limitations on its net operating loss carryforwards under Section 382 of the Internal Revenue Code. As such, the amount of net operating loss carryforwards the Company can use in the future to offset U.S. federal and state taxable income may be limited, resulting in the expiration of a portion of the carryforwards prior to use. Due to the Company's valuation allowance position in the U.S., the required revaluation of its deferred tax assets related to these limited U.S. federal and state net operating loss carryforwards did not have a material impact on the Condensed Consolidated Financial Statements or related disclosures.

Loss Per Share

The Company uses the two-class method to calculate loss per share. The two-class method is an earnings allocation formula that treats a participating security as having rights to earnings that otherwise would have been available to common shareholders. Under the two-class method, earnings for the period are allocated between common shareholders and participating security holders based on their respective rights to receive dividends as if all undistributed book earnings for the period were distributed.

Basic loss per share is computed by dividing net income attributable to only the common shareholders by the weighted-average number of common shares outstanding for the period. Diluted loss per share includes the impact of share-based compensation to the extent the effect is dilutive.

In periods where a net loss is reported, the anti-dilutive effect of preferred shares, warrants, senior secured convertible notes, stock options, restricted stock units and deferred stock units are excluded and diluted net loss per share is equal to basic net loss per share.

The following is a summary of the Common Stock equivalents for the securities outstanding during the respective periods that have been excluded from the computation of diluted net loss per common share, as their effect would be anti-dilutive:

	Three Months Ended March 31,	
	2021	2020
Preferred stock	19,472,807	—
Warrants	5,457,026	7,308,409
Senior secured convertible notes	4,981,309	6,519,655
Stock options, restricted stock units and deferred stock units	3,614,221	3,158,550
Total	33,525,363	16,986,614

As of March 31, 2021, \$0.9 million in dividends have accrued on the Preferred Stock which have not yet been paid. These dividends have been included in calculating the total net loss available to common stockholders used in the calculation of basic and dilutive loss per share.

Impairment of Right-of-use ("ROU") and Long-lived Assets

In the three months ended March 31, 2020, the Company concluded the carrying value of certain facility lease ROU and other long-lived assets may not be recoverable. In its assessment, the Company considered changes in the real estate market related to the COVID-19 pandemic, that led to an increase in the estimated marketing time, and a reduction of expected receipts, for properties on

the market for sublease. The Company performed a quantitative asset impairment test using a discounted cash flow model. Certain ROU and related leasehold improvements failed the asset impairment test; and as a result the Company recorded a \$4.7 million non-cash impairment charge.

Although the Company believes that the carrying values of its long-lived assets are appropriately stated as of March 31, 2021, future changes in strategy or market conditions, significant technological developments or significant changes in legal or regulatory factors could significantly impact these judgments and require adjustments to recorded asset balances.

Allowance for Doubtful Accounts

The Company generally grants uncollateralized credit terms to its customers and maintains an allowance for doubtful accounts to reserve for uncollectible receivables. Allowances are based on management's judgment, which considers historical collection experience adjusted for current conditions or expected future conditions based on reasonable and supportable forecasts, a specific review of all significant outstanding receivables, an assessment of company-specific credit conditions and general economic conditions. Management considered the impact of the COVID-19 pandemic, including customer payment delays and requests from customers to revise contractual payment terms, in determining the Company's allowance for doubtful accounts.

The table below summarizes the change in balance of the allowance for doubtful accounts:

(In thousands)	Three months ended March 31,	
	2021	2020
Beginning Balance	\$ (2,757)	\$ (1,919)
Bad debt benefit (expense)	30	(492)
Recoveries	(77)	(44)
Write-offs	1,093	308
Ending Balance	\$ (1,711)	\$ (2,147)

Other Accounting Standards Recently Adopted

In December 2019, the FASB issued ASU 2019-12, *Income Taxes* (Topic 740), which simplifies the accounting for income taxes primarily by eliminating certain exemptions. The amendments are effective for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. An entity is permitted to early adopt any removed or modified disclosures upon issuance of the update and to delay adoption of the additional disclosures until their effective date. The Company adopted the new standard effective January 1, 2021, which had no impact on the Condensed Consolidated Financial Statements or related disclosures.

3. Revenue Recognition

The following table presents the Company's revenue disaggregated by solution group, geographical market and timing of transfer of products and services. The Company has one reportable segment in accordance with ASC 280, *Segment Reporting*; as such, the disaggregation of revenue below reconciles directly to its unique reportable segment.

(In thousands)	Three Months Ended March 31,	
	2021	2020
By solution group:		
Ratings and Planning ⁽¹⁾	\$ 65,806	\$ 63,521
Analytics and Optimization ⁽¹⁾	17,701	15,501
Movies Reporting and Analytics	6,823	10,506
Total	\$ 90,330	\$ 89,528
By geographical market:		
United States	\$ 77,774	\$ 77,146
Europe	8,271	7,483
Canada	1,744	1,562
Latin America	1,576	2,020
Other	965	1,317
Total	\$ 90,330	\$ 89,528
By timing of revenue recognition:		
Products and services transferred over time	\$ 68,116	\$ 71,917
Products and services transferred at a point in time	22,214	17,611
Total	\$ 90,330	\$ 89,528

⁽¹⁾ In the second quarter of 2020, the Company began classifying revenue from certain new and extended custom agreements for services that utilize its syndicated data set, previously classified under Analytics and Optimization, as Ratings and Planning. The impact was not material to either solution group.

Contract Balances

The following table provides information about receivables, contract assets, contract costs, contract liabilities and customer advances from contracts with customers:

<i>(In thousands)</i>	As of March 31, 2021	As of December 31, 2020
Accounts receivable, net	\$ 61,540	\$ 69,379
Current and non-current contract assets	5,070	4,037
Current and non-current contract costs	127	430
Current contract liabilities	54,472	58,529
Current customer advances	14,567	12,477
Non-current contract liabilities	3,936	4,156

Significant changes in the contract assets and the contract liabilities balances are as follows:

<i>(In thousands)</i>	Contract Liabilities (Current)	
	Three months ended March 31,	
	2021	2020
Revenue recognized that was included in the opening contract liabilities balance	\$ (31,891)	\$ (33,315)
Cash received or amounts billed in advance and not recognized as revenue	30,844	37,116

Transaction Price Allocated to the Remaining Performance Obligations

As of March 31, 2021, approximately \$235.0 million of revenue is expected to be recognized from remaining performance obligations that are unsatisfied (or partially unsatisfied) for non-cancelable contracts. The Company expects to recognize revenue on approximately 46% of these remaining performance obligations during the remainder of 2021, approximately 31% in 2022, and approximately 11% in 2023, with the remainder recognized thereafter.

Costs to Obtain or Fulfill a Contract

As of March 31, 2021 and December 31, 2020, the Company had \$0.1 million and \$0.4 million, respectively, in capitalized contract costs. For the three months ended March 31, 2021 and 2020, amortized and expensed contract costs were \$2.6 million and \$0.3 million, respectively.

4. Debt

Senior Secured Convertible Notes and Financing Derivatives

During 2018, the Company entered into certain agreements with funds affiliated with or managed by Starboard Value LP (collectively, "Starboard"), pursuant to which the Company issued and sold to Starboard a total of \$204.0 million in senior secured convertible notes (the "Notes"), which initially accrued interest at 6.0%, as well as warrants to purchase shares of the Company's common stock, par value \$0.001 per share (the "Common Stock") in exchange for \$100.0 million in cash and 4,000,000 shares of Common Stock. The warrants were exercised in full by Starboard on April 3, 2019 for 323,448 shares of Common Stock.

The Notes contained, among other features, an interest rate reset feature which the Company determined represented an embedded derivative that must be bifurcated and accounted for separately from the Notes. This feature reset the interest rate on the Notes based on the trading price of the Company's Common Stock. In January 2019, the interest rate reset to 12.0% where it was scheduled to remain through the contractual maturity of the Notes on January 16, 2022.

Interest on the Notes was payable on a quarterly basis in arrears, at the option of the Company, in cash, or, subject to certain conditions, through the issuance by the Company of additional shares of Common Stock ("PIK Interest Shares"). On January 25, 2021, the Company paid quarterly accrued interest of \$6.1 million through the issuance of 2,802,454 PIK Interest Shares. The interest paid was classified within other non-current liabilities in the Condensed Consolidated Balance Sheets as of December 31, 2020.

In connection with the Transactions described in [Footnote 1, Organization](#), the Company used cash proceeds of \$204.0 million from the issuance of shares of its Preferred Stock to extinguish the Notes and related financing derivatives on March 10, 2021. The Company also issued 3,150,000 additional shares to Starboard (the "Conversion Shares"), as additional creditor consideration, which were valued at \$9.6 million based on the \$3.05 closing price of the Company's Common Stock on March 9, 2021. Lastly, the

Company paid interest accrued of \$4.7 million for the period from January 1, 2021 to March 10, 2021 through the issuance of 1,363,327 PIK Interest Shares.

The Company adjusted the interest rate reset feature to its fair value on March 10, 2021 immediately prior to extinguishment. The fair value of the interest reset derivative was estimated to be \$9.5 million using a discounted cash flow method based on projected incremental cash flows through contractual maturity of the Notes and a credit-adjusted discount rate of 20.0%. The fair value of other financing derivatives embedded within the Notes was determined to be negligible.

The Company recorded a loss on extinguishment of the Notes of \$9.3 million for the three months ended March 31, 2021. The loss was comprised of a write-off of unamortized deferred financing costs and issuance discount of \$9.2 million and issuance of Conversion Shares of \$9.6 million, offset by the derecognition of the interest rate reset derivative liability valued at \$9.5 million.

Secured Term Note

On December 31, 2019, the Company's wholly owned subsidiary, Rentrak B.V., entered into an agreement with several third parties (collectively the "Noteholder") for a secured promissory note (the "Secured Term Note") in exchange for gross proceeds of \$13.0 million. The Secured Term Note was scheduled to mature on December 31, 2021, was cash collateralized, and had an annual interest rate of 9.75% that was payable monthly in arrears.

The Secured Term Note included a redemption feature which, upon the occurrence of certain fundamental transactions, would require the Company to redeem the Secured Term Note in full, plus accrued interest, and remit a prepayment premium equal to the remaining contractual interest cash flows (the "interest make-whole redemption"). The Company determined this feature represented an embedded derivative that must be bifurcated and accounted for separately from the Secured Term Note.

In connection with the Transactions described in [Footnote 1, Organization](#), the Company used restricted cash from its balance sheet to extinguish the Secured Term Note and interest make-whole redemption on March 10, 2021, of which \$13.0 million and \$1.0 million were for principal repayments and settlement of the interest make-whole redemption, respectively.

The Company recorded a loss on extinguishment of the Secured Term Note of \$0.3 million for the three months ended March 31, 2021. The loss was due to the write-off of unamortized deferred financing costs. Changes in the fair value of the interest make-whole redemption were recorded to other (expense) income, net and settlement did not impact loss on debt extinguishment.

Letters of Credit

In 2018, the Company entered into a Security Agreement with Wells Fargo Bank, N.A. to issue standby letters of credit. As of March 31, 2021, \$3.3 million in letters of credit are outstanding and are cash collateralized under the Security Agreement with Wells Fargo Bank, N.A.

Failed Sale-Leaseback Transaction

In June 2019, the Company entered into a sale-leaseback arrangement with a vendor to provide \$4.3 million in cash proceeds for previously acquired computer and other equipment. The arrangement is repayable over a 24-month term for total consideration of \$4.8 million, with control of the equipment transferring to the vendor at the end of the leaseback term.

The Company concluded the leaseback would be classified as a financing lease. Therefore, the transaction was deemed a failed sale-leaseback and was accounted for as a financing arrangement. The assets continue to be depreciated over their useful lives, and payments are allocated between interest expense and repayment of the financing liability. The remaining financing liability of \$1.2 million is included within other current liabilities on the Condensed Consolidated Balance Sheet.

Remaining future minimum cash payments related to the financing obligations under the failed sale-leaseback transaction total \$0.9 million as of March 31, 2021 and are expected to be paid or refinanced during the three months ended June 30, 2021.

5. Convertible Redeemable Preferred Stock and Stockholders' Equity

2021 Issuance of Preferred Stock

On March 10, 2021 (the "Closing Date"), in connection with the Transactions described in [Footnote 1, Organization](#), the Company issued 82,527,609 shares of Preferred Stock in exchange for gross cash proceeds of \$204.0 million. The shares were issued at a par value of \$0.001. Net proceeds from the Transactions totaled \$188.2 million after deducting issuance costs.

The Transactions and related agreements include the following rights:

Registration Rights

On the Closing Date, the Company entered into a Registration Rights Agreement (the "RRA") with the holders of the Preferred Stock (together with any other party that may become a party to the RRA), pursuant to which, among other things, and on the terms and subject to certain limitations set forth therein, the Company is obligated to use its reasonable best efforts to prepare and file within 120

days after the Closing Date a registration statement registering the sale or distribution of shares of Preferred Stock or Common Stock held by any holder, including any shares of Common Stock acquired by any holder pursuant to the conversion of the Preferred Stock, and any other securities issued or issuable with respect to any such shares of Common Stock or Preferred Stock by way of share split, share dividend, distribution, recapitalization, merger, exchange, replacement or similar event or otherwise (the "Registrable Securities"). In addition, pursuant to the RRA, the holders have the right to require the Company, subject to certain limitations, to effect a sale of any or all of their Registrable Securities by means of an underwritten offering or an underwritten block trade or bought deal.

Conversion Provisions

The Preferred Stock is convertible at the option of the holders at any time into a number of shares of Common Stock based on a conversion rate set in accordance with the Certificate of Designations of the Preferred Stock. The conversion rate is calculated as the product of (i) the conversion factor and (ii) the quotient of (A) the sum of the initial purchase price and accrued dividends with respect to each share of Preferred Stock divided by (B) the initial purchase price. The conversion right is subject to certain anti-dilution adjustments and customary provisions related to partial dividend periods. As of March 31, 2021, each share of Preferred Stock was convertible into 1.005 shares of Common Stock.

At any time after the fifth anniversary of the Closing Date, the Company may elect to convert all of the outstanding shares of Preferred Stock into shares of Common Stock if (i) the closing sale price of the Company's Common Stock is greater than 140% of the conversion price as of such time, as may be adjusted pursuant to the Certificate of Designations, for certain periods, and (ii) the pro rata share of an aggregate of \$100.0 million in dividends has been paid with respect to each share of Preferred Stock that was outstanding on the Closing Date and remains outstanding.

As of March 31, 2021, no shares of Preferred Stock have been converted into Common Stock.

Voting Rights

The holders of the Preferred Stock are entitled to vote as a single class with the holders of the Common Stock, with a vote equal to the number of shares of Common Stock into which the Preferred Stock could be converted, except that the conversion rate for this purpose will be equal to the product of the applicable conversion factor and 0.98091271. Each holder of Preferred Stock is subject to a voting threshold, which limits such holder's voting rights in the event that the holder's Preferred Stock represents voting rights that exceed 16.66% of the Company's Common Stock (including the Preferred Stock on an as-converted basis).

Dividend Rights

The holders of Preferred Stock are entitled to participate in all dividends declared on the Common Stock on an as-converted basis and are also entitled to a cumulative dividend at the rate of 7.5% per annum, payable annually in arrears and subject to increase under certain specified circumstances. In addition, after January 1, 2022, such holders are entitled to request, and the Company will take all actions reasonably necessary to pay, a one-time dividend ("Special Dividend") equal to the highest dividend that the Company's Board of Directors determines can be paid at the applicable time (or a lesser amount agreed upon by the holders), subject to additional conditions and limitations set forth in a Stockholders Agreement entered into by the Company and the holders on the Closing Date (the "Stockholders Agreement"). As set forth in the Stockholders Agreement, the Company may be obligated to obtain debt financing in order to effectuate the Special Dividend.

Anti-Dilution Adjustments

The Preferred Stock is subject to anti-dilution adjustment upon the occurrence of certain events, including issuance of certain dividends or distributions to holders of Common Stock, split or combination of Common Stock, reclassification of Common Stock into a greater or lesser number of shares, or certain repurchases of Common Stock, subject to limitations set forth in the Certificate of Designations.

Liquidation Preference and Change of Control Provisions

The Preferred Stock ranks senior to the Common Stock with respect to dividend rights and rights on the distribution of assets in the event of a liquidation, dissolution or winding up of the affairs of the Company, and ranks junior to secured and unsecured indebtedness. The Preferred Stock has a liquidation preference equal to the higher of (i) the initial purchase price, increased by accrued dividends per share, and (ii) the amount per share of Preferred Stock that a holder would have received if such holder, immediately prior to such liquidation, dissolution or winding up of the affairs of the Company, converted such share into Common Stock.

The Preferred Stock includes a change of control put option which allows the holders of the Preferred Stock to require the Company to repurchase such holders' shares at a purchase price equal to the initial purchase price, increased by accrued dividends. The change of control put option was determined to be a derivative liability under ASC 815, *Derivatives and Hedging*. As of March 31, 2021, the probability of a change of control was determined to be remote, and the fair value of the change of control derivative was determined to be negligible. To the extent the holders of the Preferred Stock do not exercise the put option in a covered change of control, the Company has the right to redeem the remaining Preferred Stock at a redemption price equal to the initial purchase price, increased by accrued dividends.

As described above, the Preferred Stock is contingently redeemable upon certain deemed liquidation events, such as a change in control. Because a deemed liquidation event could constitute a redemption event outside of the Company's control, all shares of Preferred Stock have been presented outside of permanent equity in mezzanine equity on the Condensed Consolidated Balance Sheets.

2019 Issuance and Sale of Common Stock and Warrants

On June 23, 2019, the Company entered into a Securities Purchase Agreement with CVI, pursuant to which CVI agreed to purchase (i) 2,728,513 shares of Common Stock (the "Initial Shares"), at a price of \$7.33 per share and (ii) Series A Warrants, Series B-1 Warrants, Series B-2 Warrants and Series C Warrants, for aggregate gross proceeds of \$20.0 million (the "Private Placement"). The Private Placement closed on June 26, 2019 (the "CVI Closing Date"). The Series B-1 Warrants and Series B-2 Warrants expired on January 29, 2020 and August 3, 2020, respectively.

The Series C Warrants were exercised on October 10, 2019. As a result of this exercise, the Company issued 2,728,513 shares of Common Stock to CVI on October 14, 2019. In addition, the number of shares issuable under the Company's Series A Warrants was increased by 2,728,513.

The Series A Warrants are exercisable by the holders for a period of five years from the CVI Closing Date and are currently exercisable into 5,457,026 shares of Common Stock, which is equal to the Initial Shares plus the number of shares issued pursuant to the exercise of the Series C Warrants (described above). The exercise price for the Series A Warrants was \$12.00 upon issuance but was subsequently adjusted, as described below. The Series A Warrants may be exercised for cash or through a net settlement feature under certain circumstances.

The exercise price for the Series A Warrants is subject to anti-dilution adjustment in certain circumstances, including upon certain issuances of capital stock. Upon the issuance of the Preferred Stock, the Company adjusted the exercise price of the Series A Warrants from \$12.00 to \$2.4719 per share, the closing price of the Transactions.

CVI will not have the right to exercise any warrant that would result in CVI beneficially owning more than 4.99% of the outstanding Common Stock after giving effect to such exercise. CVI has the right, in its discretion, to raise this threshold up to 9.99% with 60 days' notice to the Company. In addition, if and to the extent the exercise of any warrants would, together with the issuances of the Initial Shares and the shares issued pursuant to the exercise of any other warrants, result in the issuance of 20.0% or more of the outstanding Common Stock of the Company on the CVI Closing Date (the "Exchange Cap"), the Company intends to, in lieu of issuing such shares, settle the obligation to issue such shares in cash.

Management determined each warrant to be a freestanding financial instrument that qualifies for liability treatment as a result of net cash settlement features associated with the Exchange Cap provision or upon a change in control. Each warrant is initially measured at fair value and classified as a current liability on the Condensed Consolidated Balance Sheet, with subsequent changes in fair value recorded in earnings. To determine the fair value of each warrant, management utilized an option pricing model supplemented with Monte Carlo analyses in periods with multiple warrants outstanding where certain features resulted in additional valuation complexity.

The estimated fair value of the Series A Warrants as of March 31, 2021 was \$12.8 million. The impact of the anti-dilution adjustment, which lowered the exercise price from \$12.00 to \$2.4719, resulted in \$6.9 million of the \$10.0 million increase in estimated fair value from December 31, 2020. Refer to [Footnote 6](#), *Fair Value Measurements*, for information on the Level 3 inputs utilized for the determination of the fair value of the warrants.

6. Fair Value Measurements

The Company's financial instruments measured at fair value in the accompanying Condensed Consolidated Balance Sheets on a recurring basis consist of the following:

(In thousands)	As of March 31, 2021				As of December 31, 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets:								
Money market funds ⁽¹⁾	\$ 6,928	\$ —	\$ —	\$ 6,928	\$ 11,928	\$ —	\$ —	\$ 11,928
Liabilities:								
Warrants issued: ⁽²⁾								
Series A	\$ —	\$ —	\$ 12,832	\$ 12,832	\$ —	\$ —	\$ 2,831	\$ 2,831
Financing derivatives: no hedging designation								
Interest rate reset	—	—	—	—	—	—	11,300	11,300
Secured term note: ⁽⁴⁾								
Interest make-whole derivative	—	—	—	—	—	—	871	871
Total liabilities	\$ —	\$ —	\$ 12,832	\$ 12,832	\$ —	\$ —	\$ 15,002	\$ 15,002

⁽¹⁾ Level 1 cash equivalents are invested in money market funds that are intended to maintain a stable net asset value of \$1.00 per share by investing in liquid, high quality U.S. dollar-denominated money market instruments with maturities less than three months.

⁽²⁾ The fair values of the warrants are derived from techniques which utilize inputs, certain of which are significant and unobservable, that result in classification as Level 3 fair value measurements.

⁽³⁾ The fair values of the financing derivatives are derived from techniques which utilize inputs, certain of which are significant and unobservable, that result in classification as Level 3 fair value measurements. Extinguishment of the Notes on March 10, 2021 resulted in derecognition of the interest rate reset derivative liability.

⁽⁴⁾ The fair value of the embedded derivative within the Secured Term Note is derived from techniques which utilize inputs, certain of which are significant and unobservable, that result in classification as Level 3 fair value measurements. Extinguishment of the Secured Term Note on March 10, 2021 resulted in settlement of the interest make-whole derivative liability.

There were no changes to the Company's valuation methodologies during the three months ended March 31, 2021 or 2020.

The following tables present the changes in the Company's recurring Level 3 fair valued instruments for the three months ended March 31, 2021 and 2020, respectively:

(In thousands)	Interest Make-whole Derivative Liability	Financing Derivative Liabilities	Warrants Liability
Balance as of December 31, 2020	\$ 871	\$ 11,300	\$ 2,831
Total losses (gains) included in other (expense) income, net ⁽¹⁾	150	(1,800)	10,001
Settlement or derecognition upon extinguishment of host debt ⁽²⁾	(1,021)	(9,500)	—
Balance as of March 31, 2021	\$ —	\$ —	\$ 12,832

⁽¹⁾ All losses and gains were recorded in other (expense) income, net in the Condensed Consolidated Statements of Operations and Comprehensive Loss.

⁽²⁾ Refer to [Footnote 4, Debt](#) for additional information on the extinguishment of the Notes and Secured Term Notes.

(In thousands)	Financing Derivative Liabilities	Warrants Liability
Balance as of December 31, 2019	\$ 21,587	\$ 7,725
Total gains included in other (expense) income, net ⁽¹⁾	(2,387)	(4,651)
Balance as of March 31, 2020	\$ 19,200	\$ 3,074

⁽¹⁾ Represents \$1.9 million gain due to change in fair value of interest rate reset derivative liability, \$0.5 million gain due to change in fair value of qualifying change of control redemption derivative liability, \$4.4 million gain due to change in fair value of the Series A Warrant and \$0.2 million gain due to change in fair value of the Series B-2 Warrant. All gains were recorded in other (expense) income, net in the Condensed Consolidated Statements of Operations and Comprehensive Loss.

The following table displays the valuation technique and the significant inputs, certain of which are unobservable, for the Company's Level 3 liabilities that existed at the end of the current reporting period, as of March 31, 2021 and December 31, 2020 that are measured at fair value on a recurring basis:

	Fair Value Measurements			
	Significant Valuation Technique	Significant Valuation Inputs	March 31, 2021	December 31, 2020
Warrants liability	Option pricing model	Stock price	\$3.66	\$2.49
		Exercise price	\$2.47	\$12.00
		Volatility	85.0%	80.0%
		Term	3.24 years	3.49 years
		Risk-free rate	0.4%	0.2%

The fair value of the Company's warrants liability is estimated using an option pricing model. The primary sensitivity in the valuation of the warrants liability is driven by the Common Stock price at the measurement date and the estimated volatility of the Common Stock over the remaining term.

7. Accrued Expenses

(In thousands)	As of March 31, 2021	As of December 31, 2020
Accrued data costs	\$ 21,707	\$ 19,375
Payroll and payroll-related	16,244	14,653
Professional fees	3,169	4,848
Other	9,554	9,504
Total accrued expenses	\$ 50,674	\$ 48,380

8. Related Party Transactions

Transactions with WPP plc

As of March 31, 2021 (based on public filings), WPP plc and its affiliates ("WPP") owned 11,319,363 shares of the Company's outstanding Common Stock, representing 14.0% of the outstanding Common Stock. The Company provides WPP, in the normal course of business, services amongst its different product lines and receives various services from WPP supporting the Company's data collection efforts.

The Company has a cancelable five-year agreement with Lightspeed, a WPP subsidiary, to collect browsing and demographic data for individual participating households. The agreement provides that the Company makes payments to Lightspeed of approximately \$5.4 million per year through December 2025. The agreement is designed to be a comprehensive data collection effort across multiple in-home devices (e.g. television, streaming devices, computers, mobile phones, tablets, gaming devices and wearables) for which data is collected and sent to the Company for use in its products. Lightspeed is paid to manage the operational aspects of panel recruitment, compliance, inventory management, support and collection of panel demographic data.

The Company's results from transactions with WPP, as reflected in the Condensed Consolidated Statements of Operations and Comprehensive Loss, are detailed below:

(In thousands)	Three months ended March 31,			
	2021		2020	
Revenues	\$	3,326	\$	3,211
Cost of revenues		4,677		2,375

The Company has the following balances related to transactions with WPP, as reflected in the Condensed Consolidated Balance Sheets:

<i>(In thousands)</i>	As of March 31, 2021	As of December 31, 2020
Assets		
Accounts receivable, net	\$ 1,382	\$ 4,045
Prepaid expenses and other current assets	811	1,496
Liabilities		
Accounts payable	\$ 2,834	\$ 2,817
Accrued expenses	2,031	835
Contract liabilities	2,122	3,538
Other non-current liabilities	1,336	—

Transactions with Charter, Qurate and Pine

Charter, Qurate and Pine each hold 33.3% of the outstanding shares of Preferred Stock, which are entitled to convert into shares of Common Stock and to vote as a single class with the holders of the Common Stock as described in [Footnote 5, Convertible Redeemable Preferred Stock and Stockholders' Equity](#). In addition, Charter, Qurate and Pine each designated two directors to the Company's Board of Directors (the "Board") in accordance with the Stockholders Agreement.

As of March 31, 2021, Charter, Qurate and Pine each owned 27,509,203 shares of the Company's outstanding Preferred Stock and together were entitled to \$0.9 million in accrued dividends payable in cash on June 30, 2021. The accrued dividends are classified within other current liabilities in the Condensed Consolidated Balance Sheet as of March 31, 2021.

Concurrent with the closing of the Transactions on March 10, 2021, the Company entered into a ten-year Data License Agreement ("DLA") with Charter Communications Operating, LLC ("Charter Operating"), an affiliate of Charter. Under the DLA, Charter Operating will bill the Company for license fees according to a payment schedule that gradually increases from \$10.0 million in the first year of the term to \$32.3 million in the tenth year of the term. The Company recognizes expense for the license fees ratably over the term. A portion of the annual license fees is allocated to a base license comparable to the Company's prior license with Charter Operating. The remaining fees are allocated to the additional data sets contemplated by the DLA and the designation and related endorsement of the Company as Charter Operating's preferred data measurement partner for the term.

The Company's results from transactions with Charter and its affiliates, as reflected in the Condensed Consolidated Statements of Operations and Comprehensive Loss, are detailed below:

<i>(In thousands)</i>	Three months ended March 31, 2021
Revenues	\$ 339
Cost of revenues	5,145

The Company has the following balances related to transactions with Charter and its affiliates, as reflected in the Condensed Consolidated Balance Sheet:

<i>(In thousands)</i>	As of March 31, 2021
Assets	
Accounts receivable, net	\$ 476
Liabilities	
Accounts payable	\$ 4,449
Accrued expenses	4,317
Other non-current liabilities	847

The Company recognized revenues of \$0.2 million from transactions with Qurate and its affiliates in the normal course of business during the three months ended March 31, 2021, as reflected in the Condensed Consolidated Statements of Operations and Comprehensive Loss.

The Company had no transactions, other than the issuance of shares of Preferred Stock and related matters, with Pine for the three months ended March 31, 2021.

Transactions with Starboard

In 2018, the Company entered into certain agreements with Starboard, then a beneficial owner of more than 5.0% of the Company's outstanding Common Stock. Refer to [Footnote 4, Debt](#), for further information regarding these agreements and the Company's

issuance of Notes to Starboard in 2018. As a result of these agreements and the transactions contemplated thereby, Starboard ceased to be a beneficial owner of more than 5.0% of the Company's outstanding Common Stock in January 2018. In addition, pursuant to a prior agreement with Starboard, the Company provided Starboard the right to designate certain members to the Company's Board. As of December 31, 2018, Starboard had no remaining right to designate any directors to the Board. As of March 31, 2021, there were no directors remaining on the Board who were designated by Starboard.

In the Condensed Consolidated Statements of Operations and Comprehensive Loss, the Company recorded interest expense, inclusive of non-cash accretion of issuance discount and deferred financing costs, related to the Notes of \$6.6 million and \$8.2 million during the three months ended March 31, 2021 and 2020, respectively.

In connection with the extinguishment of the Notes on March 10, 2021, the Company issued 3,150,000 Conversion Shares to Starboard valued at \$9.6 million as discussed in [Footnote 4, Debt](#), which amount was included as a component of loss on extinguishment of debt in the Condensed Consolidated Statement of Operations and Comprehensive Loss.

The Company had no outstanding balances related to Starboard as of March 31, 2021. The outstanding balances for the Notes, related financing derivatives, and other non-current liabilities as of December 31, 2020 are reflected in the Condensed Consolidated Balance Sheets.

9. Commitments and Contingencies

Contingencies

The Company is involved in various legal proceedings from time to time. The Company establishes reserves for specific legal proceedings when management determines that the likelihood of an unfavorable outcome is probable, and the amount of loss can be reasonably estimated. The Company has also identified certain other legal matters where an unfavorable outcome is reasonably possible and/or for which no estimate of possible losses can be made. In these cases, the Company does not establish a reserve until it can reasonably estimate the loss. Legal fees are expensed as incurred. The outcomes of legal proceedings are inherently unpredictable, subject to significant uncertainties, and could be material to the Company's operating results and cash flows for a particular period.

Privacy Class Action Litigation

On September 11, 2017, the Company and a wholly owned subsidiary, Full Circle Studies, Inc., ("Full Circle"), received demand letters on behalf of named plaintiffs and all others similarly situated alleging that the Company and Full Circle collected personal information from users under the age of 13 without verifiable parental consent in violation of Massachusetts law and the federal Children's Online Privacy Protection Act. The letters alleged that the Company and Full Circle collected such personal information by embedding advertising software development kits in applications created or developed by The Walt Disney Company. The letters sought monetary damages, attorneys' fees and damages under Massachusetts law. On June 4, 2018, the plaintiffs filed amended complaints with the U.S. District Court for the Northern District of California adding the Company and Full Circle as defendants in a purported class action (captioned *Rushing, et al v. The Walt Disney Company, et al.*, Case No. 3:17-cv-04419-JD) against Disney, Twitter and other defendants, alleging violations of California's constitutional right to privacy and intrusion upon seclusion law, New York's deceptive trade practices statute, and Massachusetts' deceptive trade practices and right to privacy statutes. The complaints alleged damages in excess of \$5.0 million, with any award to be apportioned among the defendants. On February 26, 2020, the Company and Full Circle reached an agreement with the plaintiffs to settle the complaints in full, with no admission of liability, in return for injunctive relief and payment of the plaintiffs' attorneys' fees, to be covered by the Company's insurance. The settlement received preliminary court approval on September 24, 2020. The settlement received final court approval on April 12, 2021.

Other Matters

In addition to the matters described above, the Company is, and may become, a party to a variety of legal proceedings from time to time that arise in the normal course of the Company's business. While the results of such legal proceedings cannot be predicted with certainty, management believes that, based on current knowledge, the final outcome of any such current pending matters will not have a material adverse effect on the Company's financial position, results of operations or cash flows. Regardless of the outcome, legal proceedings can have an adverse effect on the Company because of defense costs, diversion of management resources and other factors.

Indemnification

The Company has entered into indemnification agreements with each of the Company's directors and certain officers, and the Company's amended and restated certificate of incorporation requires it to indemnify each of its officers and directors, to the fullest extent permitted by Delaware law, who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that he or she is or was a director or officer of the Company. The Company has paid and may in the future pay legal counsel fees incurred by current and former directors and officers who are involved in legal proceedings that require indemnification.

Similarly, certain of the Company's commercial contracts require it to indemnify contract counterparties under specified circumstances, and the Company may incur legal counsel fees and other costs in connection with these obligations.

10. Subsequent Events

On May 5, 2021, the Company entered into a senior secured revolving credit agreement (the "Revolving Credit Agreement") among the Company, as borrower, certain subsidiaries of the Company as guarantors, Bank of America N.A., as administrative agent, and the lenders from time to time party thereto. The Revolving Credit Agreement has a maturity of three years from the closing date of the agreement.

The Revolving Credit Agreement provides a borrowing capacity equal to \$25.0 million. The Company may also request the issuance of letters of credit under the Revolving Credit Agreement in an aggregate amount up to \$5.0 million, which reduces the amount of available borrowings by the amount of such issued and outstanding letters of credit. The amount the Company is able to borrow is subject to compliance with the financial covenants, satisfaction of various conditions precedent to borrowing and other provisions of the Revolving Credit Agreement.

The Company does not have any borrowings or letters of credit outstanding under the Revolving Credit Agreement.

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our Condensed Consolidated Financial Statements and the related Notes to Condensed Consolidated Financial Statements included in Part I, [Item 1](#) of this Quarterly Report on Form 10-Q, or 10-Q. In addition to historical financial information, the following discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results and timing of selected events in future periods may differ materially from those anticipated or implied in these forward-looking statements as a result of many factors, including those discussed under [Item 1A](#), "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2020 (the "2020 10-K"), under [Item 1A](#), "Risk Factors" in this 10-Q and elsewhere in this 10-Q. See also "[Cautionary Note Regarding Forward-Looking Statements](#)" at the beginning of this 10-Q.

Overview

We are a global information and analytics company that measures advertising, content, and the consumer audiences of each, across media platforms. We create our products using a global data platform that combines information on digital platforms (connected (Smart) televisions, mobile devices, tablets and computers), television ("TV"), over the top devices ("OTT"), direct to consumer applications, and movie screens with demographics and other descriptive information. We have developed proprietary data science that enables measurement of person-level and household-level audiences, removing duplicated viewing across devices and over time. This combination of data and methods enables a common standard for buyers and sellers to transact on advertising. This helps companies across the media ecosystem better understand and monetize their audiences and develop marketing plans, content and products to more efficiently and effectively reach those audiences. Our ability to unify behavioral and other descriptive data enables us to provide audience ratings, advertising verification, and granular consumer segments that describe hundreds of millions of consumers. Our customers include digital publishers, television networks, movie studios, content owners, brand advertisers, agencies and technology providers.

The information we analyze crosses geographies, types of content and activities, including websites, mobile and OTT applications ("apps"), video games, television and movie programming, electronic commerce ("e-commerce") and advertising.

Results of Operations

The following table sets forth selected Condensed Consolidated Statements of Operations data as a percentage of total revenues for each of the periods indicated. Percentages may not add due to rounding.

(In thousands)	Three Months Ended March 31,			
	2021		2020	
	Dollars	% of Revenue	Dollars	% of Revenue
Revenues	\$ 90,330	100.0 %	\$ 89,528	100.0 %
Cost of revenues	52,702	58.3 %	45,798	51.2 %
Selling and marketing	17,827	19.7 %	19,213	21.5 %
Research and development	10,353	11.5 %	10,136	11.3 %
General and administrative	14,468	16.0 %	15,543	17.4 %
Amortization of intangible assets	6,439	7.1 %	6,918	7.7 %
Impairment of right-of-use and long-lived assets	—	— %	4,671	5.2 %
Total expenses from operations	101,789	112.7 %	102,279	114.2 %
Loss from operations	(11,459)	(12.7)%	(12,751)	(14.2)%
Loss on extinguishment of debt	(9,629)	(10.7)%	—	— %
Other (expense) income, net	(8,274)	(9.2)%	7,194	8.0 %
Interest expense, net	(7,045)	(7.8)%	(8,846)	(9.9)%
Gain from foreign currency transactions	1,074	1.2 %	804	0.9 %
Loss before income taxes	(35,333)	(39.1)%	(13,599)	(15.2)%
Income tax (provision) benefit	(1,022)	(1.1)%	415	0.5 %
Net loss	\$ (36,355)	(40.2)%	\$ (13,184)	(14.7)%

Revenues

Our products and services are organized around solution groups that address customer needs. Accordingly, we evaluate revenue around three solution groups:

- Ratings and Planning provides measurement of the behavior and characteristics of audiences of content and advertising across television and digital platforms including connected (Smart) televisions, computers, tablets, mobile devices, and

other connected devices. These products and services are designed to help customers find the most relevant viewing audience, whether that viewing is linear, non-linear, online or on-demand.

- Analytics and Optimization includes custom solutions, activation, lift and survey-based products that provide end-to-end solutions for planning, optimization and evaluation of advertising campaigns and brand protection.
- Movies Reporting and Analytics measures movie viewership and box office results by capturing movie ticket sales in real time or near real time and includes box office analytics, trend analysis and insights for movie studios and movie theater operators worldwide.

We categorize our revenue along these solution groups; however, our cost structure is tracked at the corporate level and not by our solution groups. These costs include, but are not limited to, employee costs, purchased data, operational overhead, data storage and technology that supports multiple solution groups.

Revenues for the three months ended March 31, 2021 and 2020 were as follows:

(In thousands)	Three Months Ended March 31,					
	2021	% of Revenue	2020	% of Revenue	\$ Variance	% Variance
Ratings and Planning ⁽¹⁾	\$ 65,806	72.9 %	\$ 63,521	71.0 %	\$ 2,285	3.6 %
Analytics and Optimization ⁽¹⁾	17,701	19.6 %	15,501	17.3 %	2,200	14.2 %
Movies Reporting and Analytics	6,823	7.5 %	10,506	11.7 %	(3,683)	(35.1)%
Total revenues	\$ 90,330	100.0 %	\$ 89,528	100.0 %	\$ 802	0.9 %

⁽¹⁾In the second quarter of 2020, we began classifying revenue from certain new and extended custom agreements for services that utilize our syndicated data set, previously classified under Analytics and Optimization, as Ratings and Planning. The impact was not material to either solution group.

Revenues increased by \$0.8 million, or 0.9%, for the three months ended March 31, 2021 as compared to the three months ended March 31, 2020.

Ratings and Planning revenue is comprised of revenue from our digital, television, and cross-platform products. Ratings and Planning revenue increased by \$2.3 million for the three months ended March 31, 2021 as compared to the three months ended March 31, 2020. The increase was driven by higher TV revenue and services related to our international cross-platform offering, partially offset by lower revenue from our syndicated digital products. TV revenues were higher due to new partnerships, increased agency adoption and additional TV data deliveries as part of an expanded relationship with an enterprise customer. We also recorded \$2.4 million in revenue for certain cross-platform services delivered in Europe related to the renewal of a multi-year agreement. Syndicated digital revenue was lower primarily due to our smaller and international customers who continue to be impacted by ongoing industry changes in ad buying and consolidations. While retention of syndicated digital enterprise customers remained high, revenue from our syndicated digital products represented 45% and 50% of our Ratings and Planning revenue in the first quarter of 2021 and 2020, respectively.

Analytics and Optimization revenue increased by \$2.2 million in the three months ended March 31, 2021 as compared to the three months ended March 31, 2020. The increase was related to higher deliveries of custom solutions and Activation, which experienced double-digit year-over-year growth as we continued to bring new solutions to market.

Movies Reporting and Analytics revenue decreased by \$3.7 million in the three months ended March 31, 2021 as compared to the three months ended March 31, 2020. Revenue continued to be impacted by theater closures, delayed releases and shifts in consumer behavior as a result of the COVID-19 pandemic. While we expect these factors to continue affecting movies revenue in 2021, revenue is expected to improve through the year as major theater chains reopen both domestically and abroad.

Cost of Revenues

Cost of revenues consists primarily of expenses related to producing our products, operating our network infrastructure, the recruitment, maintenance and support of our consumer panels and amortization of capitalized fulfillment costs. These expenses include employee costs for salaries, benefits, stock-based compensation and other related personnel costs of network operations, survey operations, custom analytics and technical support, all of which are expensed as they are incurred. Cost of revenues also includes costs to obtain multichannel video programming distributor ("MVPD") data sets and panel, census based and other data sets used in our products as well as operational costs associated with our data centers, including depreciation expense associated with computer equipment and internally developed software that supports our panels and systems. Additionally, cost of revenues includes allocated overhead, lease expense and other facilities-related costs.

Cost of revenues for the three months ended March 31, 2021 and 2020 were as follows:

(In thousands)	Three Months Ended March 31,					
	2021	% of Revenue	2020	% of Revenue	\$ Change	% Change
Data costs	\$ 18,303	20.3 %	\$ 15,267	17.1 %	\$ 3,036	19.9 %
Employee costs	10,643	11.8 %	10,280	11.5 %	363	3.5 %
Systems and bandwidth costs	6,835	7.6 %	5,758	6.4 %	1,077	18.7 %
Lease expense and depreciation	4,917	5.4 %	3,947	4.4 %	970	24.6 %
Panel costs	3,913	4.3 %	5,116	5.7 %	(1,203)	(23.5)%
Sample and survey costs	1,823	2.0 %	1,256	1.4 %	567	45.1 %
Technology	1,511	1.7 %	1,447	1.6 %	64	4.4 %
Professional fees	1,283	1.4 %	1,095	1.2 %	188	17.2 %
Royalties and resellers	425	0.5 %	987	1.1 %	(562)	(56.9)%
Other	3,049	3.4 %	645	0.7 %	2,404	372.7 %
Total cost of revenues	\$ 52,702	58.3 %	\$ 45,798	51.2 %	\$ 6,904	15.1 %

Cost of revenues increased \$6.9 million, or 15.1%, for the three months ended March 31, 2021 as compared to the three months ended March 31, 2020. Data costs increased by \$3.0 million primarily due to new data licensing costs to increase our data footprint and data rights. Other expenses increased by \$2.4 million primarily related to license costs associated with the delivery of our cross-platform products in Europe in connection with the multi-year agreement described above. Systems and bandwidth costs increased \$1.1 million primarily due to increases in cloud-based data storage and bandwidth capacity. Offsetting these increases were lower panel costs primarily due to lower recruitment and support costs for our mobile panels, and lower royalty and reseller costs due to fewer sales of certain revenue-sharing products.

Selling and Marketing

Selling and marketing expenses consist primarily of employee costs for salaries, benefits, commissions, stock-based compensation and other related costs for personnel associated with sales and marketing activities. It also includes costs related to online and offline advertising, industry conferences, promotional materials, public relations, other sales and marketing programs and allocated overhead, which is comprised of lease expense and other facilities-related costs, and depreciation expense generated by general purpose equipment and software.

Selling and marketing expenses for the three months ended March 31, 2021 and 2020 were as follows:

(In thousands)	Three Months Ended March 31,					
	2021	% of Revenue	2020	% of Revenue	\$ Change	% Change
Employee costs	\$ 15,284	16.9 %	\$ 15,160	16.9 %	\$ 124	0.8 %
Lease expense and depreciation	1,041	1.2 %	1,387	1.5 %	(346)	(24.9)%
Professional fees	473	0.5 %	706	0.8 %	(233)	(33.0)%
Travel	28	— %	622	0.7 %	(594)	(95.5)%
Other	1,001	1.1 %	1,338	1.5 %	(337)	(25.2)%
Total selling and marketing expenses	\$ 17,827	19.7 %	\$ 19,213	21.5 %	\$ (1,386)	(7.2)%

Selling and marketing expenses decreased by \$1.4 million, or 7.2%, for the three months ended March 31, 2021 as compared to the three months ended March 31, 2020. Travel costs decreased \$0.6 million primarily due to reduced travel resulting from the COVID-19 pandemic. Lease and depreciation expense decreased \$0.3 million primarily due to decreased rent as we reduced and sublet various locations throughout 2020.

Research and Development

Research and development expenses include product development costs, consisting primarily of employee costs for salaries, benefits, stock-based compensation and other related costs for personnel associated with research and development activities, third-party expenses to develop new products and third-party data costs and allocated overhead, which is comprised of lease expense and other facilities-related costs, and depreciation expense related to general purpose equipment and software.

Research and development expenses for the three months ended March 31, 2021 and 2020 were as follows:

(In thousands)	Three Months Ended March 31,					
	2021	% of Revenue	2020	% of Revenue	\$ Change	% Change
Employee costs	\$ 7,795	8.6 %	\$ 7,274	8.1 %	\$ 521	7.2 %
Technology	1,133	1.3 %	1,077	1.2 %	56	5.2 %
Lease expense and depreciation	859	1.0 %	1,189	1.3 %	(330)	(27.8)%
Professional fees	401	0.4 %	389	0.4 %	12	3.1 %
Other	165	0.2 %	207	0.2 %	(42)	(20.3)%
Total research and development expenses	\$ 10,353	11.5 %	\$ 10,136	11.3 %	\$ 217	2.1 %

Research and development expenses increased by \$0.2 million, or 2.1%, for the three months ended March 31, 2021 as compared to the three months ended March 31, 2020. Employee costs increased \$0.5 million primarily due to increased employee equity awards in 2021 compared to 2020. These increases were partially offset by reduced lease and depreciation expense due to decreased rent as we reduced and sublet various locations throughout 2020.

General and Administrative

General and administrative expenses consist primarily of employee costs for salaries, benefits, stock-based compensation and other related costs, and related expenses for executive management, finance, human capital, legal and other administrative functions, as well as professional fees, overhead, including allocated overhead, which is comprised of lease expense and other facilities-related costs, depreciation expense related to general purpose equipment and software, Board compensation and expenses incurred for other general corporate purposes.

General and administrative expenses for the three months ended March 31, 2021 and 2020 were as follows:

(In thousands)	Three Months Ended March 31,					
	2021	% of Revenue	2020	% of Revenue	\$ Change	% Change
Employee costs	\$ 8,298	9.2 %	\$ 6,564	7.3 %	\$ 1,734	26.4 %
Professional fees	2,989	3.3 %	4,611	5.2 %	(1,622)	(35.2)%
Lease expense and depreciation	474	0.5 %	586	0.7 %	(112)	(19.1)%
Other	2,707	3.0 %	3,782	4.2 %	(1,075)	(28.4)%
Total general and administrative expenses	\$ 14,468	16.0 %	\$ 15,543	17.4 %	\$ (1,075)	(6.9)%

General and administrative expenses decreased by \$1.1 million, or 6.9%, for the three months ended March 31, 2021 as compared to the three months ended March 31, 2020. Professional fees decreased \$1.6 million primarily due to reduced legal and consulting fees in 2021 as compared to 2020. Other expenses decreased \$1.1 million primarily due to lower bad debt expense in 2021 as the allowance increased in the first quarter of 2020 as a result of the COVID-19 pandemic. These decreases were offset by an increase in employee costs of \$1.7 million primarily due to increased equity awards and other compensation.

Impairment of Right-of-use and Long-lived Assets

In the first quarter of 2020, we recorded a \$4.7 million impairment charge related to our facility lease right-of-use assets and associated leasehold improvements for certain properties on the market for sublease. The impairment charge was driven by changes in our projected undiscounted cash flows for certain properties, primarily as a result of changes in the real estate market related to the COVID-19 pandemic, that led to an increase in the estimated marketing time and a reduction of expected receipts.

Loss on Extinguishment of Debt

Loss on extinguishment of debt represents the difference between the carrying value of our debt instruments and any consideration paid to our creditors in the form of cash or shares of our Common Stock on the extinguishment date.

In the first quarter of 2021, we recorded a \$9.6 million loss on debt extinguishment related to the payoff of the senior secured convertible notes (the "Notes") and the secured promissory note (the "Secured Term Note") on March 10, 2021. The primary drivers of the extinguishment loss are the write-off of unamortized deferred financing costs and issuance discounts, the issuance of additional shares of Common Stock in connection with the extinguishment, and the derecognition of the interest rate reset derivative liability on the Notes. These components are described in [Footnote 4, Debt](#).

Other (Expense) Income, Net

Other (expense) income, net represents income and expenses incurred that are generally not recurring in nature or are not part of our regular operations. The following is a summary of other (expense) income, net for the three months ended March 31, 2021 and 2020:

(In thousands)	Three Months Ended March 31,	
	2021	2020
Change in fair value of financing derivatives	\$ 1,800	\$ 2,387
Change in fair value of warrants liability	(10,001)	4,651
Other	(73)	156
Total other (expense) income, net	\$ (8,274)	\$ 7,194

Other (expense) income, net for the three months ended March 31, 2021 was largely driven by a loss from change in fair value of our warrants liability related primarily to the exercise price adjustment described in [Footnote 5](#), *Convertible Redeemable Preferred Stock and Stockholders' Equity*, offset by a gain from the change in fair value of our financing derivatives. Other income, net for the three months ended March 31, 2020 primarily related to gains from the changes in fair value of our financing derivatives and warrants liability.

Interest Expense, Net

Interest expense, net consists of interest income and interest expense. Interest income primarily consists of interest earned from our cash and cash equivalent balances. Interest expense relates to interest on our Notes, Secured Term Note and our finance leases.

During the three months ended March 31, 2021 and 2020, we incurred interest expense, net of \$7.0 million and \$8.8 million, respectively. The decrease in interest expense in the first quarter of 2021 compared to 2020 was primarily due to the extinguishment of the Notes and the Secured Term Note in March 2021 as described in [Footnote 4](#), *Debt*.

Gain From Foreign Currency Transactions

Our foreign currency transactions are recorded as a result of fluctuations in the exchange rate between the transactional currency and the functional currency of foreign subsidiary transactions. Our international currency exposures that relate to the translation to U.S. Dollars are in a net liability position and our international currency exposures that relate to the translation from U.S. Dollars are in a net asset position. For the three months ended March 31, 2021 and 2020, the gain from foreign currency transactions was \$1.1 million and \$0.8 million, respectively. The gains in both periods were primarily driven by fluctuations in the Chilean Peso against the U.S. Dollar and Euro and the U.S. Dollar against the Euro and Canadian Dollar exchange rates.

Income Tax (Provision) Benefit

A valuation allowance has been established against our net U.S. federal and state deferred tax assets and certain foreign deferred tax assets, including net operating loss carryforwards. As a result, our income tax position is primarily related to foreign tax activity and U.S. deferred taxes for tax deductible goodwill and other indefinite-lived liabilities.

During the three months ended March 31, 2021, and 2020, we recorded an income tax (provision) benefit of \$(1.0) million, and \$0.4 million, respectively, resulting in an effective tax rate of 2.9% and (3.1)%, respectively. These effective tax rates differ from the U.S. federal statutory rate primarily due to the effects of certain permanent items, foreign tax rate differences, and increases in the valuation allowance against our domestic deferred tax assets. The increase in the tax provision during the first quarter of 2021 as compared to 2020 was primarily due to an increase in U.S. deferred tax expense for tax deductible goodwill and an increase in estimated foreign tax expense in 2021.

The COVID-19 pandemic has a global reach, and many countries have introduced measures that provide relief to taxpayers in a variety of ways. We continue to evaluate new legislation as it is introduced, but none of these measures had an impact on our income tax (provision) benefit for the three months ended March 31, 2021.

Recent Accounting Pronouncements

For a discussion of recent accounting pronouncements, refer to [Footnote 2](#), *Summary of Significant Accounting Policies*.

Liquidity and Capital Resources

The following table summarizes our cash flows for each of the periods identified:

<i>(In thousands)</i>	Three Months Ended March 31,	
	2021	2020
Net cash provided by (used in) operating activities	\$ 17,888	\$ (4,781)
Net cash used in investing activities	(3,692)	(3,917)
Net cash used in financing activities	(30,477)	(549)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(588)	(927)
Net decrease in cash, cash equivalents and restricted cash	(16,869)	(10,174)

Overview

Our principal uses of cash consist of cash paid for data, payroll and other operating expenses, payments related to investments in equipment, primarily to support our consumer panels and technical infrastructure required to deliver our products and services and support our customers, and service of our debt and lease facilities (and, beginning in 2021, our dividend payment obligations).

As of March 31, 2021, our principal sources of liquidity consisted of cash, cash equivalents and restricted cash totaling \$33.9 million, including \$4.8 million in restricted cash.

Our principal sources of liquidity have historically been our cash and cash equivalents, as well as cash flow generated from operations. Our operating losses and interest payments on our Notes and Secured Term Note, as well as the scheduled maturity of the Notes in January 2022, resulted in a need to secure long-term financing to extinguish the Notes and increase working capital.

In March 2021, we entered into separate Securities Purchase Agreements with each of Charter Communications Holding Company, LLC ("Charter"), Qurate Retail, Inc. ("Qurate") and Pine Investor, LLC ("Pine") (the "Transactions"). At the closing of the Transactions, we issued and sold (a) to Charter, 27,509,203 shares of Series B Convertible Preferred Stock ("Preferred Stock") in exchange for \$68.0 million, (b) to Qurate, 27,509,203 shares of Preferred Stock in exchange for \$68.0 million and (c) to Pine, 27,509,203 shares of Preferred Stock in exchange for \$68.0 million.

The proceeds from the Transactions were used to repay the Notes. See "Senior Secured Convertible Notes" below. In connection with the closing, we also repaid the Secured Term Note and certain transaction-related expenses with cash from our balance sheet. See "Secured Term Note" below. For additional information on the Transactions and related debt extinguishments, refer to [Footnote 4, Debt](#) and [Footnote 5, Convertible Redeemable Preferred Stock and Stockholders' Equity](#).

Pandemic Impact

The COVID-19 pandemic and related government mandates and restrictions have had a significant impact on the media, advertising and entertainment industries in which we operate. To date, the COVID-19 pandemic has had some impact on our business, including with respect to the execution of new and renewal contracts, the impact of closed movie theaters on our customers, customer payment delays and requests to modify contractual payment terms. These conditions have negatively impacted our revenue and cash flows, particularly in our Movies Reporting and Analytics business, and could continue to have an impact in future periods.

It is possible that long-term changes in consumer behavior will impact our customers' operations, and thus their demand for our services and ability to pay, even after the spread of COVID-19 has been contained and businesses are permitted to resume normal operations. While we have taken actions to mitigate the impact of the COVID-19 pandemic, control costs and improve our working capital balance, these steps may not be successful or adequate if customer demand or cash collection efforts are further impacted by the COVID-19 pandemic or other factors.

Preferred Stock

On March 10, 2021, in connection with the Securities Purchase Agreements described above, we issued 82,527,609 shares of Preferred Stock in exchange for gross cash proceeds of \$204.0 million. The shares were issued at a par value of \$0.001. Net proceeds from the Transactions totaled \$188.2 million after deducting issuance costs. Shares of Preferred Stock are convertible into Common Stock as described in [Footnote 5, Convertible Redeemable Preferred Stock and Stockholders' Equity](#). As of March 31, 2021, each share of Preferred Stock was convertible into 1.005 shares of Common Stock.

The holders of Preferred Stock are entitled to participate in all dividends declared on the Common Stock on an as-converted basis and are also entitled to a cumulative dividend at the rate of 7.5% per annum, payable annually in arrears and subject to increase under certain specified circumstances. In addition, after January 1, 2022, such holders are entitled to request, and we must take all actions reasonably necessary to pay, a one-time special dividend on the Preferred Stock equal to the highest dividend that our Board of Directors determines can be paid at the applicable time (or a lesser amount agreed by the holders), subject to additional conditions and limitations described in [Footnote 5, Convertible Redeemable Preferred Stock and Stockholders' Equity](#). We may be obligated to obtain

debt financing in order to effectuate the special dividend, which could significantly impact our financial position and liquidity depending on the timing and scope of the dividend payment and related financing.

Revolving Credit Agreement

On May 5, 2021, we entered into a senior secured revolving credit agreement (the "Revolving Credit Agreement") among the Company, as borrower, certain subsidiaries of the Company as guarantors, Bank of America N.A., as administrative agent, and the lenders from time to time party thereto. The Revolving Credit Agreement has a maturity of three years from the closing date of the agreement.

The Revolving Credit Agreement provides a borrowing capacity equal to \$25.0 million. We may also request the issuance of letters of credit under the Revolving Credit Agreement in an aggregate amount up to \$5.0 million, which reduces the amount of available borrowings by the amount of such issued and outstanding letters of credit. The amount we are able to borrow is subject to compliance with the financial covenants, satisfaction of various conditions precedent to borrowing and other provisions of the Revolving Credit Agreement.

We do not have any borrowings or letters of credit outstanding under the Revolving Credit Agreement.

Sale of Common Stock and Warrants

On June 23, 2019, we entered into a Securities Purchase Agreement with CVI pursuant to which we sold to CVI for aggregate gross proceeds of \$20.0 million (i) 2,728,513 shares of Common Stock and (ii) Series A Warrants, Series B-1 Warrants, Series B-2 Warrants and Series C Warrants to initially purchase up to 11,654,033 shares of Common Stock (the "Private Placement"). On October 14, 2019, we issued 2,728,513 shares of Common Stock to CVI upon exercise by CVI of the Series C Warrants. As a result of this exercise, the number of shares issuable under our Series A Warrants was increased by 2,728,513. On January 29, 2020, the Series B-1 Warrants expired unexercised. On August 3, 2020, the Series B-2 Warrants expired unexercised.

For additional information on the Private Placement and the adjustment to the exercise price of our Series A Warrants in connection with the Transactions (which adjustment could reduce the cash proceeds we receive upon exercise of the Series A Warrants), refer to [Footnote 5](#), *Convertible Redeemable Preferred Stock and Stockholders' Equity*.

Senior Secured Convertible Notes

On January 16, 2018, we entered into certain agreements with funds affiliated with or managed by Starboard Value LP (collectively "Starboard"), pursuant to which we issued and sold to Starboard \$150.0 million in Notes in exchange for \$85.0 million in cash and 2,600,000 shares of Common Stock. On May 17, 2018, we issued and sold to Starboard \$50.0 million of Notes in exchange for \$15.0 million in cash and 1,400,000 shares of Common Stock. Later in 2018 we issued an aggregate of \$4.0 million in Notes to Starboard, bringing the total balance of Notes as of December 31, 2020 to \$204.0 million. The proceeds from the Transactions were used to repay the Notes issued to Starboard, resulting in termination of related covenants under the Notes, including limitations on indebtedness and liens and maintenance of certain minimum cash balances that had limited our financial flexibility in prior periods.

For additional information on the Notes, refer to [Footnote 4](#), *Debt*.

Secured Term Note

On December 31, 2019, our wholly owned subsidiary, Rentrak B.V., entered into an agreement with several third parties for the Secured Term Note in exchange for gross proceeds of \$13.0 million. The Secured Term Note had an annual interest rate of 9.75% payable monthly in cash. In connection with the Transactions, we repaid the Secured Term Note and certain transaction-related expenses with cash from our balance sheet.

For additional information on the Secured Term Note, refer to [Footnote 4](#), *Debt*.

Restricted Cash

Restricted cash represents outstanding letters of credit, and lines of credit related to certain of our corporate credit card programs. As of December 31, 2020, restricted cash also represented our requirement to collateralize the Secured Term Note. As of March 31, 2021 and December 31, 2020, we had \$4.8 million and \$19.6 million of restricted cash, respectively. Repayment of the Secured Term Note resulted in the termination of the collateralization requirement thereunder, and no cash was restricted relating to the Secured Term Note as of March 31, 2021.

Operating Activities

Our primary source of cash provided by operating activities is revenues generated from sales of our products and services. Our primary uses of cash from operating activities include personnel costs and costs related to data and infrastructure used to develop and maintain our products and services.

Cash used in operating activities is calculated by adjusting our net loss for changes in working capital, as well as by excluding non-cash items such as: depreciation, non-cash operating lease expense, amortization expense of finance leases and intangible assets, impairment of right-of-use assets, stock-based compensation, deferred tax provision, change in the fair value of financing derivatives, warrants liability and equity securities, non-cash interest expense on the Notes, accretion of debt discount, and amortization of deferred financing costs.

Net cash provided by operating activities for the three months ended March 31, 2021 was \$17.9 million compared to net cash used of \$4.8 million for the three months ended March 31, 2020. The shift in cash was primarily attributable to a decrease in the cash interest paid on the Notes in 2021 of \$6.1 million (which interest was instead paid in shares of Common Stock), as well as a net increase in operating assets and liabilities of \$11.9 million for the three months ended March 31, 2021 as compared to a net decrease of \$6.6 million for the three months ended March 31, 2020. The shift from a net decrease in operating assets and liabilities to a net increase was primarily due to increases in our accounts payable and accrual balances in 2021 compared to 2020, due in part to new licensing costs to increase our data footprint and data rights as well as the timing of certain employee compensation.

Investing Activities

Cash used in investing activities primarily consists of payments related to capitalized internal-use software costs, purchases of computer and network equipment to support our technical infrastructure, and furniture and equipment. The extent of these investments will be affected by our ability to expand relationships with existing customers, grow our customer base and introduce new digital formats, as well as constraints on cash expenditures in the current economic environment.

Net cash used in investing activities for the three months ended March 31, 2021 was \$3.7 million compared to net cash used in investing activities of \$3.9 million for the three months ended March 31, 2020. This decrease in cash used in investing activities was primarily attributable to a decrease in payments for capitalized internally developed software in 2021 compared with 2020.

Financing Activities

Net cash used in financing activities during the three months ended March 31, 2021 was \$30.5 million compared to net cash used in financing activities of \$0.5 million during the three months ended March 31, 2020. The increase in cash used in financing activities was primarily due to the repayment of the Notes and the Secured Term Note in March 2021, offset by cash proceeds of \$204.0 million from the issuance of Preferred Stock discussed above, netted by \$15.8 million of related transaction costs.

Contractual Payment Obligations

We have certain long-term contractual arrangements that have fixed and determinable payment obligations including unconditional purchase obligations with MVPDs, operating and financing leases, and data storage and bandwidth arrangements.

We have data licensing agreements with a number of MVPDs for set-top box data. These agreements have remaining terms from one to ten years. As of March 31, 2021, the total fixed payment obligation related to these agreements is \$396.3 million.

We have both operating and financing leases related to corporate office space and equipment. Our leases have remaining terms from one to seven years. As of March 31, 2021, the total fixed payment obligation related to these agreements is \$67.3 million.

We have an agreement for cloud-based data storage and bandwidth to help process and store our data. The remaining term for this agreement is three years. As of March 31, 2021, the total fixed payment obligation related to this agreement is \$26.8 million.

Future Capital Requirements

Our ability to generate cash is subject to our performance, general economic conditions, industry trends and other factors, including the timing of cash collections from our customers, data costs and other trade payables, service of our debt and lease facilities and dividend payment obligations, and expenses from ongoing compliance efforts and legal matters. As discussed above, we have experienced delays in customer payments and requests to modify contractual terms in connection with the COVID-19 pandemic and related government mandates and restrictions. To the extent that our existing cash, cash equivalents and operating cash flow, together with savings from repayment of the Notes and Secured Term Note and cost-reduction initiatives undertaken by our management, are insufficient to fund our future activities and requirements, we may need to raise additional funds through public or private equity or debt financing. We may also be required to raise additional funds in order to pay a special dividend to holders of our Preferred Stock, as described above. Our history of net losses, as well as disruption and volatility in global capital and credit markets, could impact our ability to access capital resources on terms acceptable to us or allowable under applicable financing arrangements, or at all. If we issue additional equity securities in order to raise additional funds or pay dividends, further dilution to existing stockholders may occur.

Off-Balance Sheet Arrangements

We have no material off-balance sheet arrangements (as defined in Item 303 of Regulation S-K).

Critical Accounting Policies

Our discussion and analysis of our financial condition and results of operations are based on our Condensed Consolidated Financial Statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires us to make estimates, assumptions and judgments that affect the amounts reported in our Condensed Consolidated Financial Statements and the accompanying Notes to Condensed Consolidated Financial Statements. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, including (with respect to the three months ended March 31, 2021) the ongoing and potential impacts of the COVID-19 pandemic and related government mandates and restrictions. Actual results may differ from these estimates.

Our critical accounting policies are those that are both material to the presentation of our financial condition and results of operations and require management's most subjective and complex judgments. Other than our accounting policies related to the accounting for the Preferred Stock, and application of Accounting Standards Codification ("ASC") 470, *Debt* related to extinguishment of the Notes and Secured Term Note, there have been no material changes or updates to our critical accounting policies and estimates during the three months ended March 31, 2021 as compared to the critical accounting policies and estimates disclosed in our [2020 10-K](#).

Preferred Stock

On March 10, 2021, in connection with the Transactions described above, we issued 82,527,609 shares of Preferred Stock in exchange for gross cash proceeds of \$204.0 million. The shares were issued at a par value of \$0.001. Net proceeds from the transaction totaled \$188.2 million after deducting issuance costs.

The Preferred Stock is contingently redeemable upon certain deemed liquidation events, such as a change in control. Because a deemed liquidation event could constitute a redemption event outside of our control, all shares of Preferred Stock have been presented outside of permanent equity in mezzanine equity on the Condensed Consolidated Balance Sheets. The instrument is initially recognized at fair value net of issuance costs. We reassess whether the Preferred Stock is currently redeemable, or probable to become redeemable in the future, as of each reporting date. If the instrument meets either of these criteria, we will accrete the carrying value to the redemption value. The Preferred Stock has not been adjusted to its redemption amount as a deemed liquidation event is not considered probable.

All financial instruments that are classified as mezzanine equity are evaluated for embedded derivative features by evaluating each feature against the nature of the host instrument (e.g. more equity-like or debt-like). Features identified as embedded derivatives that are material are recognized separately as a derivative asset or liability in the consolidated financial statements.

Effective January 1, 2021, we early-adopted Accounting Standards Update ("ASU") 2020-06, *Debt—Debt with Conversion and Other Options* (Subtopic 470-20) and *Derivatives and Hedging—Contracts in Entity's Own Equity* (Subtopic 815-40). This ASU simplifies accounting for convertible instruments, enhances disclosure requirements related to the terms and features of convertible instruments, and amends the guidance for the derivatives scope exception for contracts settled in an entity's own equity. This ASU removes from GAAP the separation models for (1) convertible debt with a Cash Conversion Feature and (2) convertible instruments with a Beneficial Conversion Feature. Upon adoption of this new ASU, entities will account for a convertible debt instrument wholly as debt, and for convertible preferred stock wholly as preferred stock, unless (1) a convertible instrument contains features that require bifurcation as a derivative under ASC 815, or (2) a convertible debt instrument was issued at a substantial premium.

As a result of the adoption, no embedded features were identified requiring bifurcation under the new model, other than the change of control redemption feature. We adopted the standard using the modified retrospective approach. The standard had no impact on the Notes and, as a result, there was no cumulative adjustment recorded upon adoption.

Loss on Extinguishment of Debt

We apply the provisions of ASC 470, *Debt*, to determine whether amendments to, or repayments of, our debt agreements should be accounted for as a modification or extinguishment event. Loss on extinguishment of debt represents the difference between the carrying value of our debt instruments and any consideration paid to our creditors in the form of cash or shares of our Common Stock on the extinguishment date.

In the three months ended March 31, 2021, we recorded a \$9.6 million loss on debt extinguishment related to the payoff of the Notes and the Secured Term Note on March 10, 2021. These transactions are described in [Footnote 4, Debt](#).

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. We have outstanding warrants that are subject to market risk. We also have foreign currency exchange rate risk from our global operations.

Warrants liability financial instrument risk

As a result of having \$12.8 million in liability related to outstanding warrants as of March 31, 2021, which warrants are exercisable for shares of Common Stock under certain conditions, we are subject to market risk. The value of the warrants, and the number of shares likely to be issued under the warrants, is impacted by changes in the market price of our Common Stock.

As described in [Footnote 1](#), *Organization*, and [Footnote 5](#), *Convertible Redeemable Preferred Stock and Stockholders' Equity*, on March 9, 2021, our stockholders approved Transactions to issue preferred securities. The exercise price of our Series A Warrants is subject to anti-dilution adjustment in certain circumstances, including upon certain issuances of capital stock. As a result of the Transactions, the exercise price of the Series A Warrants was adjusted to the closing price of the Transactions. As of March 31, 2021, a 10% increase in the market price of our Common Stock would result in a \$1.7 million increase in the fair value of the Series A Warrants, while a 10% decrease in the market price of our Common Stock would result in a \$1.7 million decrease in fair value of the Series A Warrants.

Foreign currency risk

For additional discussion of the market risk associated with our foreign currency risk, refer to [Item 7A](#), "Quantitative and Qualitative Disclosures About Market Risk" within the 2020 10-K.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We carried out an evaluation required by the Securities Exchange Act of 1934 (the "Exchange Act"), under the supervision and with the participation of our principal executive officer and our principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act, as of March 31, 2021. Based on this evaluation, our principal executive officer and principal financial officer concluded that as of March 31, 2021, these disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and to provide reasonable assurance that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

Under Exchange Act Rules 13a-15(d) and 15d-15(d), management is required to evaluate, with the participation of our principal executive officer and our principal financial officer, any changes in internal control over financial reporting that occurred during each fiscal quarter that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. There were no changes in our internal control over financial reporting during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitation on the Effectiveness of Internal Controls

The effectiveness of any system of internal control over financial reporting is subject to inherent limitations, including the exercise of judgment in designing, implementing, operating, and evaluating the controls and procedures, and the inability to eliminate misconduct completely. Accordingly, any system of internal control over financial reporting can only provide reasonable, not absolute, assurance that its objectives will be met. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. We intend to continue to monitor and upgrade our internal controls as necessary or appropriate for our business, but we cannot assure that such improvements will be sufficient to provide us with effective internal control over financial reporting in future periods.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

For a discussion of material legal proceedings in which we are involved, please refer to [Footnote 9](#), *Commitments and Contingencies* of the Notes to Condensed Consolidated Financial Statements included in Part I, [Item 1](#) of this 10-Q, which is incorporated herein by reference.

ITEM 1A. RISK FACTORS

An investment in our Common Stock involves a substantial risk of loss. In addition to the information in this report, you should carefully consider the risks discussed in [Item 1A](#) "Risk Factors" of our 2020 10-K before you decide whether to invest in our stock. The risks identified below and in our 2020 10-K could materially and adversely affect our business, financial condition and operating results. In that case, the trading price of our Common Stock could decline, and you could lose part or all of your investment. The risks described below and in our 2020 10-K are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially and adversely affect our business, financial condition and operating results, and may result in the loss of part or all of your investment.

Delays or errors in implementing a new enterprise resource planning ("ERP") system could adversely affect our business, reputation and results of operations.

From time to time, we modify, update and replace our systems and infrastructure, including by adding functionality, integrating new service providers and replacing legacy systems. We currently plan to implement a new ERP system in the second half of 2021. This system, which is intended to improve our financial reporting processes and internal control, is expected to replace four legacy systems and impact multiple business processes. If we are unable to successfully implement the new ERP system, or if implementation is delayed, our ability to accurately and timely record transaction information, make and collect payments, implement and test controls, and report our financial results could be impaired, which could negatively impact our business and results of operations. Delays or errors in implementation could also be costly, distract our management's attention, divert resources from other projects, disrupt customer or vendor relationships, negatively affect our public image or reputation, and expose us to liability.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

(a) Unregistered Sales of Equity Securities during the Three Months Ended March 31, 2021

On January 25, 2021, we issued to the holders of the Notes an aggregate of 2,802,454 shares of our Common Stock, in lieu of cash payment of \$6.1 million in interest due under the Notes on such date, which interest was effectively converted into shares under the terms of the Notes. The shares were issued without registration under the Securities Act of 1933, as amended (the "Securities Act") in reliance upon an exemption provided in Section 4(a)(2) of the Securities Act.

Additional information required by Item 701 of Regulation S-K was previously included in our Current Reports on Form 8-K filed on January 8, 2021, and March 15, 2021.

(b) Use of Proceeds from Sale of Registered Equity Securities

None.

(c) Purchases of Equity Securities by the Issuer and Affiliated Purchasers

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

On May 5, 2021, we entered into a senior secured revolving credit agreement (the "Revolving Credit Agreement") among the Company, as borrower, certain of our subsidiaries as guarantors, Bank of America, N.A., as administrative agent (in such capacity, the "Agent"), and the lenders from time to time party thereto. The Revolving Credit Agreement has a maturity of three years from the closing date of the agreement.

The Revolving Credit Agreement provides a borrowing capacity equal to \$25.0 million. We may also request the issuance of letters of credit under the Revolving Credit Agreement in an aggregate amount up to \$5.0 million, which amount reduces the amount of available borrowings by the amount of such issued and outstanding letters of credit. The amount we are able to borrow is subject to compliance with the financial covenants, satisfaction of various conditions precedent to borrowing and other provisions of the Revolving Credit Agreement.

As of the closing date of the Revolving Credit Agreement and as of the date of this Form 10-Q, we did not have any borrowings or letters of credit outstanding under the Revolving Credit Agreement, resulting in availability of \$25.0 million.

Borrowings under the Revolving Credit Agreement are made at the Eurodollar Rate and bear interest at a rate per annum equal to the Eurodollar Rate (as defined in the Revolving Credit Agreement) plus an applicable rate equal to 2.25%. The Revolving Credit Agreement also provides for an unused commitment fee equal to 0.25% of the unused commitments at such time. To the extent that a payment default exists and is continuing, at the election of the Required Lenders (as defined in the Revolving Credit Agreement), all amounts outstanding under the Revolving Credit Agreement will bear interest at 2.00% per annum above the rate and margin otherwise applicable thereto. We are able to repay any amounts borrowed prior to the maturity date without any premium or penalty other than customary LIBOR breakage costs.

The Revolving Credit Agreement is guaranteed by the Company and our domestic subsidiaries (other than Excluded Subsidiaries (as defined in the Revolving Credit Agreement)) and is secured by a first lien security interest in substantially all assets of the Company and our domestic subsidiaries (other than Excluded Subsidiaries), subject to certain customary exclusions.

The Revolving Credit Agreement also contains certain financial covenants, including the maintenance of the following financial ratios:

- a minimum Consolidated EBITDA (as defined in the Revolving Credit Agreement) of not less than \$20.0 million for the most recently ended four fiscal quarter period, tested as of the last day of each fiscal quarter ending before June 30, 2022; and
- a minimum Consolidated Fixed Charge Coverage Ratio (as defined in the Revolving Credit Agreement) of not less than 1.25 to 1.0 for the most recently ended four fiscal quarter period, tested as of the last day of each fiscal quarter ending on or after June 30, 2022.

Additionally, the Revolving Credit Agreement contains restrictive covenants that limit our ability to, among other things, incur additional indebtedness, incur additional liens, make investments and loans, enter into mergers and acquisitions, make or declare dividends and other payments, enter into certain contracts, sell assets and engage in transactions with affiliates. The Revolving Credit Agreement is also subject to customary events of default, including a change in control. If an event of default occurs and is continuing, the Agent or the Required Lenders may accelerate any amounts outstanding and terminate lender commitments.

ITEM 6. EXHIBITS

Exhibit No.	Exhibit Document
3.1	Amended and Restated Certificate of Incorporation of the Registrant (incorporated by reference to Exhibit 3.3 to the Registrant's Registration Statement on Form S-1, as amended, filed June 12, 2007) (File No. 333-141740)
3.2	Certificate of Amendment of Amended and Restated Certificate of Incorporation of comScore, Inc. (incorporated by reference to Exhibit 4.2 to the Registrant's Registration Statement on Form S-8, filed June 4, 2018) (File No. 333-225400)
3.3	Certificate of Designation of Series A Junior Participating Preferred Stock of comScore, Inc., as filed with the Secretary of State of the State of Delaware on February 9, 2017 (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K, filed February 9, 2017) (File No. 001-33520)
3.4	Certificate of Elimination of Designation of Series A Junior Participating Preferred Stock of comScore, Inc., as filed with the Secretary of State of the State of Delaware on September 29, 2017 (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K, filed October 4, 2017) (File No. 001-33520)
3.5	Certificate of Amendment to Amended and Restated Certificate of Incorporation of comScore, Inc., dated March 10, 2021 (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K, filed March 15, 2021) (File No. 001-33520)
3.6	Certificate of Designations of Series B Convertible Preferred Stock, par value \$0.001, of comScore, Inc. (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K, filed March 15, 2021) (File No. 001-33520)
3.7	Amended and Restated Bylaws of comScore, Inc. (incorporated by reference to Exhibit 3.2 to the Registrant's Quarterly Report on Form 10-Q for the period ended June 30, 2018, filed August 10, 2018) (File No. 001-33520)
4.1	Stockholders Agreement, dated as of March 10, 2021, by and among comScore, Inc., Charter Communications Holding Company, LLC, Qurate Retail, Inc. and Pine Investor, LLC (incorporated by reference to Exhibit 10.4 to the Registrant's Current Report on Form 8-K, filed March 15, 2021) (File No. 001-33520)
4.2	Registration Rights Agreement, dated as of March 10, 2021, by and among comScore, Inc., Charter Communications Holding Company, LLC, Qurate Retail, Inc. and Pine Investor, LLC (incorporated by reference to Exhibit 10.5 to the Registrant's Current Report on Form 8-K, filed March 15, 2021) (File No. 001-33520)
10.1	Series B Convertible Preferred Stock Purchase Agreement, dated as of January 7, 2021, by and between comScore, Inc. and Charter Communications Holding Company, LLC (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K, filed January 8, 2021) (File No. 001-33520)
10.2	Series B Convertible Preferred Stock Purchase Agreement, dated as of January 7, 2021, by and between comScore, Inc. and Qurate Retail, Inc. (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K, filed January 8, 2021) (File No. 001-33520)
10.3	Series B Convertible Preferred Stock Purchase Agreement, dated as of January 7, 2021, by and between comScore, Inc. and Pine Investor, LLC (incorporated by reference to Exhibit 10.3 to the Registrant's Current Report on Form 8-K, filed January 8, 2021) (File No. 001-33520)
10.4 ^A	Data License Agreement, dated as of March 10, 2021, by and between comScore, Inc. and Charter Communications Operating, LLC (incorporated by reference to Exhibit 10.6 to the Registrant's Current Report on Form 8-K, filed March 15, 2021) (File No. 001-33520)
10.5+	Form of Indemnification Agreement for directors and executive officers
10.6+*	Form of Restricted Stock Units Award Agreement (CEO), dated March 10, 2021, under 2018 Equity and Incentive Compensation Plan
10.7+*	Form of Restricted Stock Units Award Agreement (Other Executive Officers), dated March 10, 2021, under 2018 Equity and Incentive Compensation Plan
10.8+*	Form of Restricted Stock Units Award Notice (Chair), dated March 10, 2021, under 2018 Equity and Incentive Compensation Plan
31.1+	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2+	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1+	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

32.2+	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File - the cover page iXBRL tags are embedded within the Inline XBRL document

+Filed or furnished herewith

^Specific terms in this exhibit (indicated therein by asterisks) have been omitted because such terms are both not material and would likely cause competitive harm to the Company if publicly disclosed.

*Management contract or compensatory plan or arrangement.

SIGNATURE

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

COMSCORE, INC.

By: /s/ Gregory A. Fink
Gregory A. Fink
Chief Financial Officer and Treasurer
(Principal Financial Officer, Principal Accounting Officer and Duly Authorized Officer)

May 6, 2021



comscore

COMSCORE, INC.

INDEMNIFICATION AGREEMENT

THIS AGREEMENT is entered into, effective as of _____, by and between comScore, Inc., a Delaware corporation (the "Company"), and _____ ("Indemnitee").

WHEREAS, it is essential to the Company to retain and attract as directors and officers the most capable persons available;

WHEREAS, Indemnitee is a director and/or officer of the Company;

WHEREAS, both the Company and Indemnitee recognize the increased risk of litigation and other claims currently being asserted against directors and officers of corporations;

WHEREAS, Delaware law authorizes corporations to indemnify their directors and officers and to advance certain expenses, and the Amended and Restated Certificate of Incorporation (the "Certificate of Incorporation") and Amended and Restated Bylaws (the "Bylaws") of the Company (together, the "Constituent Documents") require the Company to indemnify and advance expenses to its directors and officers to the fullest extent permitted under Delaware law, and the Indemnitee will serve, has been serving and/or continues to serve as a director and/or officer of the Company in part in reliance on the Constituent Documents; and

WHEREAS, in recognition of Indemnitee's need for (i) substantial protection against personal liability based on Indemnitee's reliance on the Constituent Documents, (ii) specific contractual assurance that the protection promised by the Constituent Documents will be available to Indemnitee (regardless of, among other things, any amendment to or revocation of the Constituent Documents or any change in the composition of the Company's Board of Directors or acquisition or change-of-control transaction relating to the Company) and (iii) an inducement to provide effective services to the Company as a director and/or officer, the Company wishes to provide in this Agreement for the indemnification of and the advancing of expenses to Indemnitee to the fullest extent (whether partial or complete) permitted under Delaware law and as set forth in this Agreement, and, to the extent insurance is maintained, to provide for the continued coverage of Indemnitee under the Company's directors' and officers' liability insurance policies.

NOW, THEREFORE, in consideration of the above premises and of Indemnitee continuing to serve the Company directly or, at its request, with another enterprise, and intending to be legally bound hereby, the parties agree as follows:

1. Certain Definitions:

(a) "Affiliate" shall mean any corporation or other person or entity that directly, or indirectly through one or more intermediaries, controls or is controlled by or is under common control with, the person specified, including, without limitation, with respect to the Company, any direct or indirect subsidiary of the Company.

(b) "Board" shall mean the Board of Directors of the Company.

(c) “Expenses” shall mean any fee, cost, or expense, including all fees, expenses, and costs of attorneys and experts, paid or incurred in connection with investigating, defending, being a witness in, participating in (including on appeal) or preparing for any of the foregoing in, any Proceeding relating to any Indemnifiable Event.

(d) “Indemnifiable Event” shall mean any event or occurrence that takes place either prior to or after the execution of this Agreement, related to the fact that Indemnitee is or was a director or officer of the Company or an Affiliate of the Company, or while a director or officer is or was serving at the request of the Company or an Affiliate of the Company as a director, officer, manager, member, partner, employee, trustee, agent or fiduciary of another foreign or domestic corporation, partnership, limited liability company, joint venture, employee benefit plan, trust or other enterprise or was a director, officer, manager, member, partner, employee or agent of a foreign or domestic corporation that was a predecessor corporation of the Company or of another enterprise at the request of such predecessor corporation, or related to anything done or not done by Indemnitee in any such capacity, whether or not the basis of the Proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent of the Company or an Affiliate of the Company, as described above.

(e) “Indemnifiable Losses” shall mean any and all Expenses, damages, losses, liabilities, judgments, fines, penalties (whether civil, criminal or other) ERISA excise taxes and penalties, and amounts paid or to be paid in settlement, and includes all interest, assessments and other charges paid or incurred in connection with or in respect of any of the foregoing, any federal, state, local or foreign taxes imposed as a result of the actual or deemed receipt of any payments under this Agreement, and all other obligations, paid or incurred in connection with any Proceeding relating to any Indemnifiable Event or paid or incurred in connection with any determination by a Reviewing Party under Section 4(a) or any suit to enforce rights under Section 4(e).

(f) “Independent Counsel” shall mean the person or body appointed in connection with Section 3.

(g) “Proceeding” shall mean any threatened, asserted, pending or completed action, suit, demand or proceeding or any alternative dispute resolution mechanism (including an action by or in the right of the Company or an Affiliate of the Company) or any inquiry, hearing or investigation, whether conducted by the Company or an Affiliate of the Company or any other party, that Indemnitee in good faith believes might lead to the institution of any such action, suit or proceeding, whether civil, criminal, administrative, investigative or other.

(h) “Reviewing Party” shall mean the person or body appointed in accordance with Section 3.

(i) “Voting Securities” shall mean any securities of the Company that vote generally in the election of directors.

2. Agreement to Indemnify.

(a) General Agreement. Subject to the procedures set out in Sections 3 and 4, in the event Indemnitee was, is or becomes a party to or witness or other participant in, or is threatened to be made a party to

or witness or other participant in, a Proceeding by reason of (or arising in part out of) an Indemnifiable Event, the Company shall indemnify Indemnitee from and against any and all Indemnifiable Losses to the fullest extent permitted by law, as the same exists or may hereafter be amended or interpreted (but in the case of any such amendment or interpretation, only to the extent that such amendment or interpretation permits the Company to provide broader indemnification rights than were permitted prior thereto). The parties hereto intend that this Agreement shall provide for indemnification in excess of that expressly permitted by statute, including, without limitation, any indemnification provided by the Constituent Documents, a vote of the Company's stockholders or disinterested directors or applicable law. No repeal or amendment of any law of the State of Delaware will in any way diminish or adversely affect the rights of Indemnitee pursuant to this Agreement.

(b) Initiation of Proceeding. Notwithstanding anything in this Agreement to the contrary, Indemnitee shall not be entitled to indemnification pursuant to this Agreement in connection with any Proceeding initiated by Indemnitee against the Company or any director or officer of the Company (other than compulsory counterclaims) unless (i) the Company has joined in or the Board has consented to the initiation of such Proceeding, (ii) the Proceeding is one to enforce indemnification rights under Section 5 or (iii) Independent Counsel has approved its initiation.

(c) Expense Advances. If so requested by Indemnitee, the Company shall advance (within five (5) days of such request) any and all Expenses to Indemnitee (an "Expense Advance") relating to, arising out of or resulting from any Proceeding related to an Indemnifiable Event paid or incurred by Indemnitee or which Indemnitee determines are reasonably likely to be paid or incurred by Indemnitee; provided that Indemnitee shall repay, without interest, any amounts actually advanced to Indemnitee that, at the final disposition of the Proceeding to which the Expense Advance was related, were in excess of amounts paid or payable by Indemnitee in respect of Expenses relating to, arising out of or resulting from such Proceeding. Indemnitee's right to such Expense Advance is not subject to the satisfaction of any standard of conduct and is not conditioned upon any prior determination that Indemnitee is entitled to indemnification under this Agreement with respect to the Proceeding or Indemnifiable Event. This Section 2(c) shall not apply to any claim made by Indemnitee for which indemnity is excluded pursuant to Sections 2(b) or 2(f). In connection with any Expense Advance, Indemnitee shall execute and deliver to the Company an undertaking in the form attached hereto as Exhibit A (subject to Indemnitee filling in the blanks therein and selecting from among the bracketed alternatives therein), which shall not be secured and shall not bear interest and shall be accepted by the Company without reference to Indemnitee's ability to repay the Expense Advances. In no event shall Indemnitee's right to the payment, advancement, or reimbursement of Expense Advances pursuant to this Section 2(c) be conditioned upon any undertaking that is less favorable to Indemnitee than, or that is in addition to, the undertaking set forth in Exhibit A.

(d) Mandatory Indemnification. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee has been successful, whether in whole or in part, on the merits or otherwise in defense of any Proceeding relating in whole or in part to an Indemnifiable Event or in defense of any issue or matter therein, Indemnitee shall be indemnified against all Indemnifiable Losses actually and reasonably incurred in connection therewith and shall not be required to attain a favorable determination by a Reviewing Party under Section 4 of this Agreement prior to receiving such indemnification.

(e) Partial Indemnification. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of Indemnifiable Losses, but not, however, for the

total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled.

(f) Prohibited Indemnification. No indemnification pursuant to this Agreement shall be paid by the Company on account of any Proceeding in which a final judgment is rendered against Indemnitee or Indemnitee enters into a settlement, in each case (i) for an accounting of profits made from the purchase or sale by Indemnitee of securities of the Company pursuant to the provisions of Section 16(b) of the Exchange Act or similar provisions of any federal, state or local laws; (ii) for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision; or (iii) for which payment is prohibited by law. Notwithstanding anything to the contrary stated or implied in this Section 2(f), indemnification pursuant to this Agreement relating to any Proceeding against Indemnitee for an accounting of profits made from the purchase or sale by Indemnitee of securities of the Company pursuant to the provisions of Section 16(b) of the Exchange Act or similar provisions of any federal, state or local laws shall not be prohibited if Indemnitee ultimately establishes in any Proceeding that no recovery of such profits from Indemnitee is permitted under Section 16(b) of the Exchange Act or similar provisions of any federal, state or local laws.

3. Reviewing Party. For purposes of making determinations concerning the rights of Indemnitee to indemnity payments and Expense Advances under this Agreement, any other agreement, applicable law or the Constituent Documents now or hereafter in effect relating to indemnification for Indemnifiable Events, the Reviewing Party shall be chosen by Indemnitee and shall be either:

(a) A majority of the members of the Board who are not parties to such Proceeding, even though less than a quorum, or a committee of such members of the Board designated by majority vote of such members of the Board, even though less than a quorum; or

(b) The Independent Counsel referred to below.

(c) “Independent Counsel” shall mean counsel selected by Indemnitee and approved by the Company (which approval shall not be unreasonably withheld or delayed), who has not otherwise performed services for the Company, the Indemnitee or any other named (or, exclusively with regard to a threatened matter, likely to be named) party to the Proceeding (other than in connection with indemnification matters) within the last five (5) years. The Independent Counsel shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee’s rights under this Agreement. The Company agrees to pay the reasonable fees of the Independent Counsel and to indemnify fully such counsel against any and all expenses (including attorneys’ fees), claims, liabilities, loss and damages arising out of or relating to this Agreement or the engagement of Independent Counsel pursuant hereto.

4. Indemnification Process and Appeal.

(a) Indemnification Payment. Indemnitee shall be entitled to indemnification of Indemnifiable Losses, and shall receive payment thereof, from the Company in accordance with this Agreement upon determination by the Reviewing Party that Indemnitee is entitled to indemnification from the Company under applicable law. The Reviewing Party shall render a written opinion to the Company and Indemnitee as to

whether and to what extent the Indemnitee is entitled to indemnification because the person has met the applicable standard of conduct under applicable law. Indemnitee shall cooperate with the Reviewing Party making a determination with respect to Indemnitee's entitlement to indemnification, including providing to the Reviewing Party upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination and the Company shall indemnify and reimburse Indemnitee for all expenses incurred in connection with such cooperation.

(b) Timing of Determination of Eligibility for Indemnification. The Company shall use its reasonable best efforts to cause any determination required under Section 4(a) to be made as promptly as practicable. If (i) the Reviewing Party shall not have made a determination within 30 days after the later of (A) receipt by the Company of written notice from Indemnitee advising the Company of the final disposition of the applicable Proceeding (the date of such notice being the "Notification Date") and (B) the selection of Independent Counsel, if such determination is to be made by Independent Counsel, and (ii) Indemnitee shall have fulfilled all obligations set forth in Section 4(a), then Indemnitee shall be deemed to have satisfied the applicable standard of conduct to be entitled to indemnification under applicable law; provided that such 30-day period may be extended for a reasonable time, not to exceed an additional 30 days, if the Reviewing Party in good faith requires such additional time for the obtaining, evaluation, or documentation of information relating thereto.

(c) Timing of Indemnification Payment. If (i) the Reviewing Party determines that Indemnitee is entitled to indemnification under applicable law, (ii) no such determination is required for indemnification (i.e., indemnification pursuant to Section 2(d)), or (iii) Indemnitee is deemed to have satisfied the applicable standard of conduct by operation of Section 4(b), then the Company shall pay to Indemnitee, within five (5) business days after the later of (x) the Notification Date and (y) the earliest date on which the applicable criterion specified in clause (i), (ii), or (iii) above shall have been satisfied, an amount equal to the amount of such Indemnifiable Losses.

(d) Reviewing Party's Determination. The Reviewing Party shall presume that Indemnitee is entitled to indemnification and Expense Advance. The Company may overcome such presumption only with clear and convincing evidence to the contrary. Any determination by a Reviewing Party that Indemnitee is entitled to indemnification or Expense Advance pursuant to this Agreement shall be binding in all respects, including with respect to any litigation or other action or proceeding initiated by Indemnitee to enforce his or her rights hereunder. If the Reviewing Party determines that Indemnitee is not entitled to indemnification under applicable law, Indemnitee may appeal such a determination according to Section 4(e) of this Agreement.

(e) Suit to Enforce Rights. If (i) Indemnitee is entitled to indemnification under this Agreement and Indemnitee has not received full indemnification from the Company within 30 days of the deadline set forth in the Section granting such indemnification rights or (ii) the Reviewing Party determines that Indemnitee is not entitled to indemnification under applicable law, Indemnitee shall have the right to enforce its indemnification rights under this Agreement or appeal such decision, as the case may be, by commencing litigation in the Delaware Court of Chancery seeking an initial determination by the court or challenging any determination by the Reviewing Party or any aspect thereof. The Company hereby consents to service of process and to appear in any such proceeding. Any determination by the Reviewing Party not challenged by the Indemnitee in accordance with this Section 4(e) shall be binding on the Company and Indemnitee. The

Company shall be precluded from asserting in any such proceeding that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court that the Company is bound by all the provisions of this Agreement. The remedy provided for in this Section 4(e) shall be in addition to any other remedies available to Indemnitee at law or in equity.

(f) Defense to Indemnification and Burden of Proof. It shall be a defense to any action brought by Indemnitee against the Company to enforce this Agreement (other than an action brought to enforce a claim for Expenses incurred in defending a Proceeding in advance of its final disposition) that it is not permissible under applicable law for the Company to indemnify Indemnitee for the amount claimed. In connection with any such action or any determination by the Reviewing Party or otherwise as to whether Indemnitee is entitled to be indemnified hereunder, the burden of proving such a defense or determination shall be on the Company. Such burden must be satisfied by clear and convincing evidence. Neither the failure of the Reviewing Party to have made a determination prior to the commencement of such action by Indemnitee that indemnification of the Indemnitee is proper under the circumstances because Indemnitee has met the standard of conduct set forth in applicable law, nor an actual determination by the Reviewing Party that the Indemnitee had not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the Indemnitee has not met the applicable standard of conduct.

(g) Presumption upon Disposition other than Adverse Judgment. The Company acknowledges that a resolution, disposition or outcome short of dismissal or final judgment, including outcomes that permit Indemnitee to avoid expense, delay, embarrassment, injury to reputation, distraction, disruption or uncertainty, may constitute success in the Proceeding. In the event that any Proceeding relating to an Indemnifiable Event or any portion thereof or issue or matter therein is resolved or disposed of in any manner other than by adverse judgment against Indemnitee (including any resolution or disposition thereof by means of settlement with or without payment of money or other consideration), it shall be presumed that Indemnitee has been successful on the merits or otherwise in defense of such Proceeding or portion thereof or issue or matter therein. The Company may overcome such presumption only by its adducing clear and convincing evidence to the contrary.

(h) Presumption upon Other Dispositions of Proceedings. For purposes of the Reviewing Party's standard of conduct determination required under Section 4(a), the termination of any Proceeding by judgment, order, settlement (whether with or without court approval), conviction or upon a plea of nolo contendere or its equivalent, shall not create a presumption that Indemnitee did not meet any particular standard of conduct or have any particular belief or that a court has determined that indemnification is not permitted by applicable law.

(i) Reliance and Good Faith Presumptions. For purposes of any determination of good faith under any applicable standard of conduct, Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Company, including financial statements, or on information supplied to Indemnitee by the officers of the Company in the course of their duties, or on the advice of legal counsel for the Company or the Board or counsel selected by any committee of the Board or on information or records given or reports made to the Company by an independent certified public accountant or by an appraiser, investment banker or other advisor selected with reasonable care by the Company or the Board or any committee of the Board. The provisions of the preceding sentence shall not be deemed to be exclusive or to limit in any way the other circumstances in which the Indemnitee may be deemed to have met the applicable

standard of conduct. The knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Company shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement.

5. Other Indemnification. The Company hereby acknowledges that the Indemnitee may have rights to indemnification and advancement of expenses (directly or through insurance obtained by any such entity) provided by one or more third parties (collectively, the “Other Indemnitors”), and which may include third parties for whom such Indemnitee serves as a manager, member, officer, employee or agent. The Company hereby agrees and acknowledges that notwithstanding any such rights that the Indemnitee may have with respect to any Other Indemnitor(s), (i) the Company is the indemnitor of first resort with respect to the Indemnitee and all obligations to indemnify the Indemnitee against any and all Indemnifiable Losses (including advancing such Expenses under Section 2(c)) and (ii) the Company shall be required to indemnify the Indemnitee against any and all Indemnifiable Losses (including advancing such Expenses under Section 2(c)), to the fullest extent required by law, the terms of this Agreement, the Constituent Documents, any agreement to which the Company is a party, any vote of the stockholders or the Board, or otherwise, without regard to any rights the Indemnitee may have against the Other Indemnitors. The Company further agrees that no advancement or payment by the Other Indemnitors with respect to any claim for which the Indemnitee may have sought indemnification from the Company shall affect the foregoing and the Other Indemnitors shall have a right of contribution and/or be subrogated to the extent of any such advancement or payment to all of the rights of recovery of the Indemnitee against the Company. These rights shall be a contract right, and the Other Indemnitors are express third-party beneficiaries of the terms of this paragraph. Notwithstanding anything to the contrary herein, the obligations of the Company under this paragraph shall only apply to the Indemnitee to the extent relating to or arising out of an Indemnifiable Event.

6. Indemnification for Expenses Incurred in Enforcing Rights. The Company shall indemnify Indemnitee against any and all Indemnifiable Losses (including advancing such Expenses under Section 2(c)) that are incurred by Indemnitee in connection with any action brought by Indemnitee for:

(a) indemnification of Indemnifiable Losses or Expense Advances by the Company under this Agreement or any other agreement or under applicable law or the Constituent Documents now or hereafter in effect relating to indemnification for Indemnifiable Events; and/or

(b) recovery under directors’ and officers’ liability insurance policies maintained by the Company; but only in the event that Indemnitee ultimately is determined to be entitled to such indemnification or insurance recovery, as the case may be.

7. Notification and Defense of Proceeding.

(a) Notice. Promptly after Indemnitee receives notice or becomes aware of any Proceeding, Indemnitee shall, if a claim in respect thereof is to be made against the Company under this Agreement, notify the Company of the commencement thereof; but the omission so to notify the Company will not relieve the Company from any liability that it may have to Indemnitee, except as provided in Section 7(c). The Company shall promptly provide notice of such Proceeding to the insurance carriers providing directors’ and officers’ liability insurance and shall provide copies of all correspondence with such carrier related to the Proceeding to Indemnitee.

(b) Defense. With respect to any Proceeding as to which Indemnatee notifies the Company of the commencement thereof, the Company will be entitled to participate in the Proceeding at its own expense and except as otherwise provided below, to the extent the Company so wishes, it may assume the defense thereof with counsel reasonably satisfactory to Indemnatee. After notice from the Company to Indemnatee of its election to assume the defense of any Proceeding, the Company shall not be liable to Indemnatee under this Agreement or otherwise for any Expenses subsequently incurred by Indemnatee in connection with the defense of such Proceeding other than reasonable costs of investigation or as otherwise provided below. Indemnatee shall have the right to employ separate legal counsel (but not more than one law firm plus, if applicable, local counsel in respect of any particular Indemnifiable Claim) in such Proceeding at Indemnatee's own expense, provided that all Expenses related thereto incurred after notice from the Company of its assumption of the defense shall be at the Company's expense if any of the following situations occur: (i) the employment of legal counsel by Indemnatee has been authorized by the Company, (ii) the employment of counsel by Indemnatee has been approved by the Independent Counsel, (iii) the Company shall not in fact have employed counsel to assume the defense of such Proceeding, (iv) the use of counsel chosen by the Company to represent Indemnatee would present such counsel with an actual or potential conflict, (v) the named parties in any such Proceeding (including any impleaded parties) include both the Company and Indemnatee and Indemnatee shall conclude that there may be one or more legal defenses available to Indemnatee that are different from or in addition to those available to the Company, or (vi) any such representation by counsel would be precluded under the applicable standards of professional conduct then prevailing in each of which cases all Expenses of the Proceeding shall be borne by the Company. The Company shall not be entitled to assume the defense of any Proceeding brought by or on behalf of the Company, or as to which Indemnatee shall have made the determination provided for under the circumstances provided for in (ii) and (iii) above or in (iv), (v) and (vi) above.

(c) Settlement of Claims. The Company shall not be liable to indemnify Indemnatee under this Agreement or otherwise for any amounts paid in settlement of any Proceeding effected without (i) the Company's written consent, such consent not to be unreasonably withheld or (ii) approval of the settlement by the Independent Counsel, if applicable. The Company shall not settle any Proceeding without Indemnatee's written consent unless such settlement solely involves the payment of money and includes a complete and unconditional release of Indemnatee from all claims that are the subject of the Proceeding. The Company shall not be liable to indemnify the Indemnatee under this Agreement with regard to any judicial award if the Company was not given a reasonable and timely opportunity as a result of Indemnatee's failure to provide notice, at its expense, to participate in the defense of such action, and the lack of such notice materially prejudiced the Company's ability to participate in defense of such action. The Company's liability hereunder shall not be excused if participation in the Proceeding by the Company was barred by this Agreement.

8. Non-Exclusivity. The rights of Indemnatee hereunder will be in addition to any other rights Indemnatee may have under the Constituent Documents, applicable law, any other contract, or otherwise; provided, however, that this Agreement shall supersede any prior indemnification agreement between the Company and the Indemnatee. To the extent that a change in applicable law (whether by statute or judicial decision) permits greater indemnification than would be afforded currently under the Constituent Documents, applicable law or this Agreement, it is the intent of the parties that Indemnatee enjoy by this Agreement the greater benefits so afforded by such change. The Company will not adopt any amendment to any Constituent Documents, the effect of which would be to deny, diminish or encumber Indemnatee's rights to indemnification under this Agreement, the Constituent Documents, applicable law, any other contract or otherwise.

9. Liability Insurance. For the duration of Indemnitee's service as a director and/or officer of the Company, and thereafter for so long as Indemnitee shall be subject to any pending or possible Proceeding arising from an Indemnifiable Event, the Company shall use commercially reasonable efforts (taking into account the scope and amount of coverage available relative to the cost thereof) to continue to maintain in effect the policies of general and/or directors' and officers' liability insurance providing coverage that is at least substantially comparable in scope and amount to that provided by the Company's current policies. Indemnitee shall be named as an insured by such policy or policies, in accordance with its or their terms, to the maximum extent of the coverage available for any Company director or officer. Without limiting the generality of the preceding sentences of this Section 9, the Company shall not discontinue or significantly reduce the scope or amount of coverage from one policy period to the next (i) without the prior approval thereof of a majority of the Directors serving as of the date of this Agreement, even if less than a quorum or (ii) if at such time there are no such directors serving, without the prior written consent of Indemnitee (which consent shall not be unreasonably withheld or delayed).

10. Period of Limitations. No legal action shall be brought and no cause of action shall be asserted by or on behalf of the Company or any Affiliate of the Company against Indemnitee, Indemnitee's spouse, heirs, executors or personal or legal representatives after the expiration of two (2) years from the date of accrual of such cause of action or such longer period as may be required by state law under the circumstances. Any claim or cause of action of the Company or its Affiliate shall be extinguished and deemed released unless asserted by the timely filing and notice of a legal action within such period; provided, however, that if any shorter period of limitations is otherwise applicable to any such cause of action, the shorter period shall govern.

11. Amendment of this Agreement. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be binding unless in the form of a writing signed by the party against whom enforcement of the waiver is sought, and no such waiver shall operate as a waiver of any other provisions hereof (whether or not similar), nor shall such waiver constitute a continuing waiver. Except as specifically provided herein, no failure to exercise or any delay in exercising any right or remedy hereunder shall constitute a waiver thereof.

12. Subrogation. In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Company effectively to bring suit to enforce such rights.

13. No Duplication of Payments. The Company shall not be liable under this Agreement to make any payment in connection with any claim made against Indemnitee to the extent Indemnitee has otherwise received (and is entitled to retain) payment (under any insurance policy, Bylaw or otherwise) of the amounts otherwise indemnifiable hereunder (net of any expenses incurred in obtaining such payment).

14. Duration of Agreement. This Agreement shall continue until and terminate upon the later of (a) six (6) years after the date that Indemnitee shall have ceased to serve as a director or officer of the Company or (b) one (1) year after the final termination of any Proceeding, including any appeal, then pending in respect of which Indemnitee is granted rights of indemnification or advancement of Expenses hereunder and of any proceeding commenced by Indemnitee pursuant to Section 4(b) of this Agreement relating thereto.

15. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors (including any direct or indirect successor by purchase, merger, consolidation, reorganization or otherwise to all or substantially all of the business and/or assets of the Company), assigns, spouses, heirs and personal and legal representatives. The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation, reorganization or otherwise) to all, substantially all or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnatee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place. The indemnification provided under this Agreement shall continue as to Indemnatee for any action taken or not taken while serving in an indemnified capacity pertaining to an Indemnifiable Event even though Indemnatee may have ceased to serve in such capacity at the time of any Proceeding.

16. **Severability.** If any provision (or portion thereof) of this Agreement shall be held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable, (a) the remaining provisions shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of this Agreement containing any provision held to be invalid, void or otherwise unenforceable, that is not itself invalid, void or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, void or unenforceable. If any court shall decline to reform any provision of this Agreement held to be invalid, void or unenforceable as contemplated by the preceding sentence, the parties shall take all such action as may be necessary or appropriate to replace the provision so held to be invalid, void or unenforceable with one or more alternative provisions that effectuate the purpose and intent of the original provisions of this Agreement as fully as possible without being invalid, void or unenforceable.

17. **Contribution.** To the fullest extent permissible under applicable law in effect on the date hereof or as may be amended to increase the scope of permitted or required indemnification, whether or not the indemnification provided for in this Agreement is available to Indemnatee for any reason whatsoever, the Company shall pay all or a portion of the amount that would otherwise be incurred by Indemnatee for Indemnifiable Losses in connection with any claim relating to an Indemnifiable Event, as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company and Indemnatee as a result of the event(s) and/or transaction(s) giving cause to such Proceeding; and/or (ii) the relative fault of the Company (and its directors, officers, employees and agents) and Indemnatee in connection with such event(s) and/or transaction(s). Notwithstanding the foregoing, such contribution shall not be required where it is determined, pursuant to a final disposition of such Proceeding or Indemnifiable Loss in accordance with Section 4 of this Agreement, that Indemnatee is not entitled to indemnification by the Company with respect to such Proceeding or Indemnifiable Loss.

18. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes in its entirety all prior undertakings and agreements, including the any prior agreement with respect to the subject matter hereof, of the Company and the Indemnatee with respect to the subject matter hereof.

19. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware applicable to contracts made and to be performed in such State without giving effect to principles of conflicts of laws (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware. The Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement may be brought in the Delaware Court of Chancery; (ii) consent to submit to the jurisdiction of the Delaware Court of Chancery for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) waive any objection to the laying of venue of any such action or proceeding in the Delaware Court of Chancery, and (iv) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court of Chancery has been brought in an improper or inconvenient forum.

20. Notices. All notices, demands and other communications required or permitted hereunder shall be made in writing and shall be deemed to have been duly given if delivered by hand, against receipt or mailed, postage prepaid, certified or registered mail, return receipt requested and addressed to the Company at:

comScore, Inc.
Attn: General Counsel
11950 Democracy Drive, Suite 600
Reston, Virginia 20190

and to Indemnitee at the address set forth below Indemnitee's signature hereto.

Notice of change of address shall be effective only when given in accordance with this Section. All notices complying with this Section shall be deemed to have been received on the date of hand delivery or on the third business day after mailing.

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

* * * * *

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement as of the day specified above.

COMSCORE, INC.
a Delaware corporation

By: _____
Print Name: _____
Title: _____

INDEMNITEE,
an individual

Signed: _____
Print Name: _____
Address: (on file)

EXHIBIT A

UNDERTAKING

This Undertaking is submitted pursuant to the Indemnification Agreement, dated as of _____ (the “Indemnification Agreement”), between comScore, Inc., a Delaware corporation (the “Company”), and the undersigned. Capitalized terms used and not otherwise defined herein have the meanings ascribed to such terms in the Indemnification Agreement.

The undersigned hereby requests [**payment**], [**advancement**], [**reimbursement**] by the Company of Expenses which the undersigned [**has incurred**] [**reasonably expects to incur**] in connection with _____ (the “Proceeding”).

The undersigned hereby undertakes to repay the [**payment**], [**advancement**], [**reimbursement**] of Expenses made by the Company to or on behalf of the undersigned in response to the foregoing request to the extent it is determined, following the final disposition of the Indemnifiable Claim and in accordance with Section 4 of the Indemnification Agreement, that the undersigned is not entitled to indemnification by the Company under the Indemnification Agreement with respect to the Proceeding.

IN WITNESS WHEREOF, the undersigned has executed this Undertaking as of this ____ day of _____.

COMSCORE, INC.

Restricted Stock Units Award Agreement

This RESTRICTED STOCK UNITS AWARD AGREEMENT (this “**Agreement**”) is made as of March 10, 2021 (the “**Date of Grant**”), by and between comScore, Inc., a Delaware corporation (the “**Company**”), and William P. Livek (the “**Grantee**”).

1. **Certain Definitions.** Capitalized terms used, but not otherwise defined, in this Agreement will have the meanings given to such terms in the comScore, Inc. 2018 Equity and Incentive Compensation Plan, as amended (the “**Plan**”).

2. **Grant of RSUs.** Subject to and upon the terms, conditions and restrictions set forth in this Agreement and in the Plan, pursuant to authorization under a resolution of the Committee, the Company has granted to the Grantee as of the Date of Grant 404,547 Restricted Stock Units (“**RSUs**”). Each RSU shall represent the right of the Grantee to receive one share of Common Stock subject to and upon the terms and conditions of this Agreement.

3. **Restrictions on Transfer of RSUs.** Subject to Section 15 of the Plan, neither the RSUs evidenced hereby nor any interest therein or in the Common Stock underlying such RSUs shall be transferable prior to payment to the Grantee pursuant to **Section 5** hereof other than by will or pursuant to the laws of descent and distribution.

4. **Vesting of RSUs.** The RSUs covered by this Agreement shall become nonforfeitable and payable to the Grantee pursuant to **Section 5** hereof on December 31, 2021 (the “**Vesting Date**”), so long as the Grantee remains in continuous employment with the Company or a Subsidiary until such date (the period from the Date of Grant until the Vesting Date, the “**Vesting Period**”). Subject to the terms of the Plan, RSUs that do not so become nonforfeitable will be forfeited, including if the Grantee ceases to be in continuous employment with the Company or a Subsidiary prior to the end of the Vesting Period. For purposes of this Agreement, “continuous employment” (or substantially similar terms) means the absence of any interruption or termination of the Grantee’s service as an Employee. Continuous employment shall not be considered interrupted or terminated in the case of transfers of employment between locations of the Company and its Subsidiaries. Notwithstanding the foregoing, provided that any of the RSUs covered by this Agreement have not yet become vested as provided above, any such unvested RSUs shall immediately become fully vested if the Grantee’s employment with the Company is terminated (i) by the Company without Cause (as defined in the Grantee’s Change of Control and Severance Agreement with the Company (the “**COC/Severance Agreement**”)), (ii) by the Grantee for Good Reason (as defined in the COC/Severance Agreement), or (iii) by

reason of the Grantee's death or Disability (as defined in the COC/Severance Agreement), and any such termination date shall be treated as the Vesting Date for purposes of this Agreement.

5. **Form and Time of Payment of RSUs; Restrictions on Transfer of Common Stock.**

(a) Payment for the RSUs, after and to the extent they have become nonforfeitable, shall be made in the form of Common Stock. Subject to **Section 5(b)** hereof, payment shall be made as soon as administratively practicable following the date that the RSUs become nonforfeitable pursuant to **Section 4** hereof, but in no event later than December 31, 2021.

(b) If the RSUs become payable on the Grantee's "separation from service" with the Company and its Subsidiaries within the meaning of Section 409A(a)(2)(A)(i) of the Code and the Grantee is a "specified employee" as determined pursuant to procedures adopted by the Company in compliance with Section 409A of the Code, then, to the extent necessary to comply with Section 409A of the Code, payment for the RSUs shall be made on the first payroll date that occurs on or after the date six months and one day following the date of the Grantee's "separation from service." Notwithstanding the foregoing, if the Grantee dies following the Grantee's "separation from service," but before the six-month anniversary of the "separation from service," then any payment delayed in accordance with this **Section 5(b)** will be payable as soon as administratively practicable after the date of the Grantee's death.

(c) The Company's obligations to the Grantee with respect to the RSUs will be satisfied in full upon the issuance of Common Stock corresponding to such RSUs.

(d) The Grantee shall hold the net shares of Common Stock delivered to the Grantee under this Agreement (the "**Net Shares**") over the period beginning on the date of the Grantee's receipt of the Net Shares and ending on the third anniversary of the date of the closing (the "**Closing Date**") of the transactions contemplated in that certain Series B Convertible Preferred Stock Purchase Agreement between the Company and each of Charter Communications Holding Company, LLC, Qurate Retail, Inc., and Pine Investor, LLC, dated on or about January 7, 2021, with one-third of such Net Shares being released from such hold on each anniversary of the Closing Date; provided that upon a termination of the Grantee's employment with the Company (i) by the Company without Cause, (ii) by the Grantee for Good Reason, or (iii) by reason of the Grantee's death or Disability, then, in any such case, this holding requirement shall terminate; provided further that transfers for bona fide estate planning purposes consistent with such transfers allowed under the Plan shall not be deemed to violate the foregoing restrictions.

6. **Dividend Equivalents; Voting and Other Rights.**

(a) The Grantee shall have no rights of ownership in the Common Stock underlying the RSUs and no right to vote the Common Stock underlying the RSUs until the date on which the Common Stock underlying the RSUs is issued or transferred to the Grantee pursuant to **Section 5** above.

(b) From and after the Date of Grant and until the earlier of (i) the time when the RSUs become nonforfeitable and are paid in accordance with **Section 5** hereof or (ii) the time when the Grantee's right to receive Common Stock in payment of the RSUs is forfeited in accordance with **Section 4** hereof, on the date that the Company pays a cash dividend (if any) to holders of Common Stock generally, the Grantee shall be credited with cash per RSU equal to the amount of such dividend. Any amounts credited pursuant to the immediately preceding sentence shall be subject to the same applicable terms and conditions (including vesting, payment and forfeitability) as apply to the RSUs based on which the dividend equivalents were credited, and such amounts shall be paid in cash at the same time as the RSUs to which they relate are settled.

(c) The obligations of the Company under this Agreement will be merely that of an unfunded and unsecured promise of the Company to deliver Common Stock in the future, and the rights of the Grantee will be no greater than that of an unsecured general creditor. No assets of the Company will be held or set aside as security for the obligations of the Company under this Agreement.

7. **Adjustments.** The RSUs and the number of shares of Common Stock issuable for each RSU, and the other terms and conditions of the grant evidenced by this Agreement, are subject to mandatory adjustment, including as provided in Section 11 of the Plan.

8. **Withholding Taxes.** To the extent that the Company is required to withhold federal, state, local or foreign taxes or other amounts in connection with the delivery to the Grantee of Common Stock or any other payment to the Grantee or any other payment or vesting event under this Agreement, the Grantee agrees that the Grantee will satisfy such requirement in a manner determined by the Committee prior to any payment to the Grantee, including but not limited to a "sell to cover" transaction through a bank or broker. It shall be a condition to the obligation of the Company to make any such delivery or payment that the Grantee has satisfied such requirement in the form or manner specified by the Committee. In no event will the market value of the Common Stock to be withheld, sold and/or delivered pursuant to this **Section 8** to satisfy applicable withholding taxes exceed the maximum amount of taxes or other amounts that could be required to be withheld without creating adverse accounting treatment for the Company with respect to the award of RSUs covered by this Agreement, as determined by the Committee.

9. **Compliance with Law.** The Company shall make reasonable efforts to comply with all applicable federal and state securities laws; provided, however, notwithstanding any other provision of the Plan and this Agreement, the Company shall not be obligated to issue any Common Stock pursuant to this Agreement if the issuance thereof would result in a violation of any such law.

10. **Compliance with or Exemption from Section 409A of the Code.** To the extent applicable, it is intended that this Agreement and the Plan comply with or be exempt from the provisions of Section 409A of the Code. This Agreement and the Plan shall be administered in a manner consistent with this intent, and any provision that would cause this Agreement or the Plan to fail to satisfy Section 409A of the Code shall have no force or effect until amended to comply with or be exempt from Section 409A of the Code (which amendment may be

retroactive to the extent permitted by Section 409A of the Code and may be made by the Company without the consent of the Grantee). Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement comply with Section 409A of the Code, and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest, or other expenses that may be incurred by the Grantee on account of non-compliance with Section 409A of the Code.

11. **Interpretation.** Any reference in this Agreement to Section 409A of the Code will also include any proposed, temporary or final regulations, or any other guidance, promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service.

12. **No Right to Future Awards or Employment.** The grant of the RSUs under this Agreement to the Grantee is a voluntary, discretionary award being made on a one-time basis and it does not constitute a commitment to make any future awards. The grant of the RSUs and any payments made hereunder will not be considered salary or other compensation for purposes of any severance pay or similar allowance, except as otherwise required by law. Nothing contained in this Agreement shall confer upon the Grantee any right to be employed or remain employed by the Company or any of its Subsidiaries, nor limit or affect in any manner the right of the Company or any of its Subsidiaries to terminate the employment or adjust the compensation of the Grantee.

13. **Relation to Other Benefits.** Any economic or other benefit to the Grantee under this Agreement or the Plan shall not be taken into account in determining any benefits to which the Grantee may be entitled under any profit-sharing, retirement or other benefit or compensation plan maintained by the Company or any of its Subsidiaries and shall not affect the amount of any life insurance coverage available to any beneficiary under any life insurance plan covering employees of the Company or any of its Subsidiaries.

14. **Entire Agreement; Amendments.** This Agreement constitutes the entire agreement of the parties with regard to the subject matter hereof, and contains all the covenants, promises, representations, warranties and agreements between the parties with respect to the grant of the RSUs. Grantee acknowledges that this Agreement and the grant of the RSUs is in full satisfaction of the "Refinance Bonus" commitment under the letter agreement between the Company and the Grantee dated November 4, 2019, and the subsequent agreement between the Company and the Grantee dated on or about January 7, 2021, providing for the grant of restricted stock units in satisfaction of such Refinance Bonus. All prior understandings and agreements, if any, among the parties hereto relating to the subject matter hereof are hereby null and void and of no further force and effect. Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto, and the Committee has the right to amend, alter, suspend, discontinue or cancel the RSUs, prospectively or retroactively; provided, however, that (a) no amendment shall adversely affect the rights of the Grantee under this Agreement without the Grantee's written consent, and (b) the Grantee's consent shall not be required to an amendment that is deemed necessary by the Company to ensure compliance with Section 409A of the Code or Section 10D of the Exchange Act.

15. **Severability and Waiver.** In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable. Waiver by any party of any breach of this Agreement or failure to exercise any right hereunder shall not be deemed to be a waiver of any other breach or right. The failure of any party to take action by reason of such breach or to exercise any such right shall not deprive the party of the right to take action at any time while or after such breach or condition giving rise to such right continues.

16. **Relation to Plan.** This Agreement is subject to the terms and conditions of the Plan. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. The Committee acting pursuant to the Plan, as constituted from time to time, shall, except as expressly provided otherwise herein or in the Plan, have the right to determine any questions which arise in connection with this Agreement.

17. **Electronic Delivery.** The Company may, in its sole discretion, deliver any documents related to the RSUs and the Grantee's participation in the Plan, or future awards that may be granted under the Plan, by electronic means or request the Grantee's consent to participate in the Plan by electronic means. The Grantee hereby consents to receive such documents by electronic delivery and, if requested, agrees to participate in the Plan through an online or electronic system established and maintained by the Company or another third party designated by the Company.

18. **Governing Law.** This Agreement shall be governed by and construed with the internal substantive laws of the State of Delaware, without giving effect to any principle of law that would result in the application of the law of any other jurisdiction.

19. **Successors and Assigns.** Without limiting **Section 3** hereof, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors, administrators, heirs, legal representatives and assigns of the Grantee, and the successors and assigns of the Company.

20. **Acknowledgement.** The Grantee acknowledges that the Grantee (a) has received a copy of the Plan, (b) has had an opportunity to review the terms of this Agreement and the Plan, (c) understands the terms and conditions of this Agreement and the Plan and (d) agrees to such terms and conditions.

21. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same agreement. Delivery of an executed counterpart of the Agreement by facsimile or in electronic format shall be effective as delivery of a manually executed counterpart of the Agreement.

22. **Company Recoupment of Awards.** Notwithstanding anything in this Agreement to the contrary, the Grantee acknowledges and agrees that this Agreement and the award described herein are subject to the terms and conditions of the Company's clawback

policy (if any) as may be in effect from time to time specifically to implement Section 10D of the Exchange Act and any applicable rules or regulations promulgated thereunder (including applicable rules and regulations of any national securities exchange on which the Common Stock may be traded).

IN ORDER TO RECEIVE THE BENEFITS OF THIS AGREEMENT, AND FOR THE AWARD TO BE EFFECTIVE, GRANTEE MUST ACCEPT THE AWARD IN THE COMPANY'S ONLINE EQUITY ADMINISTRATION SYSTEM. IF GRANTEE FAILS TO SATISFY THE ACCEPTANCE REQUIREMENT WITHIN 90 DAYS AFTER THE DATE OF GRANT, THEN (1) THIS AGREEMENT WILL BE OF NO FORCE OR EFFECT AND THE AWARD GRANTED HEREIN WILL BE AUTOMATICALLY FORFEITED TO THE COMPANY WITHOUT CONSIDERATION, AND (2) NEITHER GRANTEE NOR THE COMPANY WILL HAVE ANY FUTURE RIGHTS OR OBLIGATIONS UNDER THIS AGREEMENT.

[SIGNATURES ON FOLLOWING PAGE]

COMSCORE, INC.

By: _____

Name: Sara Dunn

Title: Chief People Officer

Grantee Acknowledgment and Acceptance

By: _____

Name: William P. Livek

Signature Page to
Restricted Stock Units Award Agreement

COMSCORE, INC.

Restricted Stock Units Award Agreement

This RESTRICTED STOCK UNITS AWARD AGREEMENT (this “**Agreement**”) is made as of March 10, 2021 (the “**Date of Grant**”), by and between comScore, Inc., a Delaware corporation (the “**Company**”), and _____ (the “**Grantee**”).

1. **Certain Definitions.** Capitalized terms used, but not otherwise defined, in this Agreement will have the meanings given to such terms in the comScore, Inc. 2018 Equity and Incentive Compensation Plan, as amended (the “**Plan**”).

2. **Grant of RSUs.** Subject to and upon the terms, conditions and restrictions set forth in this Agreement and in the Plan, pursuant to authorization under a resolution of the Committee, the Company has granted to the Grantee as of the Date of Grant _____ Restricted Stock Units (“**RSUs**”). Each RSU shall represent the right of the Grantee to receive one share of Common Stock subject to and upon the terms and conditions of this Agreement.

3. **Restrictions on Transfer of RSUs.** Subject to Section 15 of the Plan, neither the RSUs evidenced hereby nor any interest therein or in the Common Stock underlying such RSUs shall be transferable prior to payment to the Grantee pursuant to **Section 5** hereof other than by will or pursuant to the laws of descent and distribution.

4. **Vesting of RSUs.** The RSUs covered by this Agreement shall become nonforfeitable and payable to the Grantee pursuant to **Section 5** hereof in substantially equal installments on each of March 10, 2022, March 10, 2023, and March 10, 2024, so long as the Grantee remains in continuous employment with the Company or a Subsidiary until each such date (the period from the Date of Grant until the last such vesting date, the “**Vesting Period**”). Subject to the terms of the Plan, RSUs that do not so become nonforfeitable will be forfeited, including if the Grantee ceases to be in continuous employment with the Company or a Subsidiary prior to the end of the Vesting Period. For purposes of this Agreement, “continuous employment” (or substantially similar terms) means the absence of any interruption or termination of the Grantee’s service as an Employee. Continuous employment shall not be considered interrupted or terminated in the case of transfers of employment between locations of the Company and its Subsidiaries. Notwithstanding the foregoing, provided that some or all of the RSUs covered by this Agreement have not yet become vested pursuant to the above schedule, any such unvested RSUs shall immediately become fully vested if the Grantee’s employment with the Company is terminated (i) by the Company without Cause (as defined in the Grantee’s change of control/severance agreement with the Company (the “**COC Agreement**”)) or (ii) by the Grantee for Good Reason (as defined in the COC Agreement), and any such termination date shall be treated as a vesting date for purposes of this Agreement.

5. **Form and Time of Payment of RSUs.**

(a) Payment for the RSUs, after and to the extent they have become nonforfeitable, shall be made in the form of Common Stock. Subject to **Section 5(b)** hereof,

payment shall be made as soon as administratively practicable following the date that the RSUs become nonforfeitable pursuant to **Section 4** hereof (but in no event later than required to satisfy the short-term deferral exemption under Section 409A of the Code).

(b) If the RSUs become payable on the Grantee's "separation from service" with the Company and its Subsidiaries within the meaning of Section 409A(a)(2)(A)(i) of the Code and the Grantee is a "specified employee" as determined pursuant to procedures adopted by the Company in compliance with Section 409A of the Code, then, to the extent necessary to comply with Section 409A of the Code, payment for the RSUs shall be made on the first payroll date that occurs on or after the date six months and one day following the date of the Grantee's "separation from service." Notwithstanding the foregoing, if the Grantee dies following the Grantee's "separation from service," but before the six-month anniversary of the "separation from service," then any payment delayed in accordance with this **Section 5(b)** will be payable as soon as administratively practicable after the date of the Grantee's death.

(c) The Company's obligations to the Grantee with respect to the RSUs will be satisfied in full upon the issuance of Common Stock corresponding to such RSUs.

6. **Dividend Equivalents; Voting and Other Rights.**

(a) The Grantee shall have no rights of ownership in the Common Stock underlying the RSUs and no right to vote the Common Stock underlying the RSUs until the date on which the Common Stock underlying the RSUs is issued or transferred to the Grantee pursuant to **Section 5** above.

(b) From and after the Date of Grant and until the earlier of (i) the time when the RSUs become nonforfeitable and are paid in accordance with **Section 5** hereof or (ii) the time when the Grantee's right to receive Common Stock in payment of the RSUs is forfeited in accordance with **Section 4** hereof, on the date that the Company pays a cash dividend (if any) to holders of Common Stock generally, the Grantee shall be credited with cash per RSU equal to the amount of such dividend. Any amounts credited pursuant to the immediately preceding sentence shall be subject to the same applicable terms and conditions (including vesting, payment and forfeitability) as apply to the RSUs based on which the dividend equivalents were credited, and such amounts shall be paid in cash at the same time as the RSUs to which they relate are settled.

(c) The obligations of the Company under this Agreement will be merely that of an unfunded and unsecured promise of the Company to deliver Common Stock in the future, and the rights of the Grantee will be no greater than that of an unsecured general creditor. No assets of the Company will be held or set aside as security for the obligations of the Company under this Agreement.

7. **Adjustments.** The RSUs and the number of shares of Common Stock issuable for each RSU, and the other terms and conditions of the grant evidenced by this Agreement, are subject to mandatory adjustment, including as provided in Section 11 of the Plan.

8. **Withholding Taxes.** To the extent that the Company is required to withhold federal, state, local or foreign taxes or other amounts in connection with the delivery to the Grantee of Common Stock or any other payment to the Grantee or any other payment or vesting event under this Agreement, the Grantee agrees that the Grantee will satisfy such requirement in a manner determined by the Committee prior to any payment to the Grantee, including but not limited to a “sell to cover” transaction through a bank or broker. It shall be a condition to the obligation of the Company to make any such delivery or payment that the Grantee has satisfied such requirement in the form or manner specified by the Committee. In no event will the market value of the Common Stock to be withheld, sold and/or delivered pursuant to this **Section 8** to satisfy applicable withholding taxes exceed the maximum amount of taxes or other amounts that could be required to be withheld without creating adverse accounting treatment for the Company with respect to the award of RSUs covered by this Agreement, as determined by the Committee.

9. **Compliance with Law.** The Company shall make reasonable efforts to comply with all applicable federal and state securities laws; provided, however, notwithstanding any other provision of the Plan and this Agreement, the Company shall not be obligated to issue any Common Stock pursuant to this Agreement if the issuance thereof would result in a violation of any such law.

10. **Compliance with or Exemption from Section 409A of the Code.** To the extent applicable, it is intended that this Agreement and the Plan comply with or be exempt from the provisions of Section 409A of the Code. This Agreement and the Plan shall be administered in a manner consistent with this intent, and any provision that would cause this Agreement or the Plan to fail to satisfy Section 409A of the Code shall have no force or effect until amended to comply with or be exempt from Section 409A of the Code (which amendment may be retroactive to the extent permitted by Section 409A of the Code and may be made by the Company without the consent of the Grantee). Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement comply with Section 409A of the Code, and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest, or other expenses that may be incurred by the Grantee on account of non-compliance with Section 409A of the Code.

11. **Interpretation.** Any reference in this Agreement to Section 409A of the Code will also include any proposed, temporary or final regulations, or any other guidance, promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service.

12. **No Right to Future Awards or Employment.** The grant of the RSUs under this Agreement to the Grantee is a voluntary, discretionary award being made on a one-time basis and it does not constitute a commitment to make any future awards. The grant of the RSUs and any payments made hereunder will not be considered salary or other compensation for purposes of any severance pay or similar allowance, except as otherwise required by law. Nothing contained in this Agreement shall confer upon the Grantee any right to be employed or remain employed by the Company or any of its Subsidiaries, nor limit or affect in any manner the right

of the Company or any of its Subsidiaries to terminate the employment or adjust the compensation of the Grantee.

13. **Relation to Other Benefits.** Any economic or other benefit to the Grantee under this Agreement or the Plan shall not be taken into account in determining any benefits to which the Grantee may be entitled under any profit-sharing, retirement or other benefit or compensation plan maintained by the Company or any of its Subsidiaries and shall not affect the amount of any life insurance coverage available to any beneficiary under any life insurance plan covering employees of the Company or any of its Subsidiaries.

14. **Entire Agreement; Amendments.** This Agreement constitutes the entire agreement of the parties with regard to the subject matter hereof, and contains all the covenants, promises, representations, warranties and agreements between the parties with respect to the grant of the RSUs. All prior understandings and agreements, if any, among the parties hereto relating to the subject matter hereof are hereby null and void and of no further force and effect. Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto, and the Committee has the right to amend, alter, suspend, discontinue or cancel the RSUs, prospectively or retroactively; provided, however, that (a) no amendment shall adversely affect the rights of the Grantee under this Agreement without the Grantee's written consent, and (b) the Grantee's consent shall not be required to an amendment that is deemed necessary by the Company to ensure compliance with Section 409A of the Code or Section 10D of the Exchange Act.

15. **Severability and Waiver.** In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable. Waiver by any party of any breach of this Agreement or failure to exercise any right hereunder shall not be deemed to be a waiver of any other breach or right. The failure of any party to take action by reason of such breach or to exercise any such right shall not deprive the party of the right to take action at any time while or after such breach or condition giving rise to such right continues.

16. **Relation to Plan.** This Agreement is subject to the terms and conditions of the Plan. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. The Committee acting pursuant to the Plan, as constituted from time to time, shall, except as expressly provided otherwise herein or in the Plan, have the right to determine any questions which arise in connection with this Agreement.

17. **Electronic Delivery.** The Company may, in its sole discretion, deliver any documents related to the RSUs and the Grantee's participation in the Plan, or future awards that may be granted under the Plan, by electronic means or request the Grantee's consent to participate in the Plan by electronic means. The Grantee hereby consents to receive such documents by electronic delivery and, if requested, agrees to participate in the Plan through an online or electronic system established and maintained by the Company or another third party designated by the Company.

18. **Governing Law.** This Agreement shall be governed by and construed with the internal substantive laws of the State of Delaware, without giving effect to any principle of law that would result in the application of the law of any other jurisdiction.

19. **Successors and Assigns.** Without limiting **Section 3** hereof, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors, administrators, heirs, legal representatives and assigns of the Grantee, and the successors and assigns of the Company.

20. **Acknowledgement.** The Grantee acknowledges that the Grantee (a) has received a copy of the Plan, (b) has had an opportunity to review the terms of this Agreement and the Plan, (c) understands the terms and conditions of this Agreement and the Plan and (d) agrees to such terms and conditions.

21. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same agreement. Delivery of an executed counterpart of the Agreement by facsimile or in electronic format shall be effective as delivery of a manually executed counterpart of the Agreement.

22. **Company Recoupment of Awards.** Notwithstanding anything in this Agreement to the contrary, the Grantee acknowledges and agrees that this Agreement and the award described herein are subject to the terms and conditions of the Company's clawback policy (if any) as may be in effect from time to time specifically to implement Section 10D of the Exchange Act and any applicable rules or regulations promulgated thereunder (including applicable rules and regulations of any national securities exchange on which the Common Stock may be traded).

IN ORDER TO RECEIVE THE BENEFITS OF THIS AGREEMENT, AND FOR THE AWARD TO BE EFFECTIVE, GRANTEE MUST ACCEPT THE AWARD IN THE COMPANY'S ONLINE EQUITY ADMINISTRATION SYSTEM. IF GRANTEE FAILS TO SATISFY THE ACCEPTANCE REQUIREMENT WITHIN 90 DAYS AFTER THE DATE OF GRANT, THEN (1) THIS AGREEMENT WILL BE OF NO FORCE OR EFFECT AND THE AWARD GRANTED HEREIN WILL BE AUTOMATICALLY FORFEITED TO THE COMPANY WITHOUT CONSIDERATION, AND (2) NEITHER GRANTEE NOR THE COMPANY WILL HAVE ANY FUTURE RIGHTS OR OBLIGATIONS UNDER THIS AGREEMENT.

[SIGNATURES ON FOLLOWING PAGE]

COMSCORE, INC.

By: _____

Name: Sara Dunn

Title: Chief People Officer

Grantee Acknowledgment and Acceptance

By: _____

Name:

Signature Page to
Restricted Stock Units Award Agreement

COMSCORE, INC.

Restricted Stock Units Award Notice

This RESTRICTED STOCK UNITS AWARD NOTICE (this “**Notice**”) is made as of March 10, 2021, by and between comScore, Inc., a Delaware corporation (the “**Company**”), and Brent Rosenthal (the “**Grantee**”).

1. **Certain Definitions.** Capitalized terms used, but not otherwise defined, in this Notice will have the meanings given to such terms in the comScore, Inc. 2018 Equity and Incentive Compensation Plan, as amended (the “**Plan**”).

2. **Grant of RSUs.** Subject to and upon the terms, conditions and restrictions set forth in this Notice and in the Plan, pursuant to authorization under a resolution of the Committee, the Company has granted to the Grantee as of March 10, 2021 (the “**Date of Grant**”) 570,412 Restricted Stock Units (“**RSUs**”). Each RSU shall represent the right of the Grantee to receive one share of Common Stock subject to and upon the terms and conditions of this Notice. The Grantee acknowledges that 315,547 RSUs relate to compensation for services in calendar year 2020 (valued at \$780,000 on the date of approval) and 254,865 RSUs relate to compensation for services in the first calendar quarter of 2021 (valued at \$630,000 on the date of approval).

3. **Restrictions on Transfer of RSUs.** Subject to Section 15 of the Plan, neither the RSUs evidenced hereby nor any interest therein or in the Common Stock underlying such RSUs shall be transferable prior to payment to the Grantee pursuant to **Section 5** hereof other than by will or pursuant to the laws of descent and distribution.

4. **Vesting of RSUs.** The RSUs covered by this Notice are nonforfeitable and 100% vested as of the Date of Grant.

5. **Form and Time of Payment of RSUs.**

(a) Payment for the RSUs shall be made in the form of Common Stock. To the extent the RSUs have not previously been settled, the Company will settle the RSUs as follows:

- (i) As soon as administratively practicable following (but no later than thirty (30) days following) the date of the Grantee’s “separation from service” with the Company and its Subsidiaries within the meaning of Section 409A(a)(2)(A)(i) of the Code, payment of the RSUs shall be made to the Grantee; and
- (ii) On the date of a Change in Control, payment of the RSUs shall be made to the Grantee; provided, however, that if such Change in Control would not qualify as a permissible date of distribution under Section 409A(a)(2)(A) of the Code and the regulations thereunder, and where Section 409A of the

Code applies to such distribution, the Grantee is entitled to receive the corresponding payment on the date that would have otherwise applied pursuant to this **Section 5** as though such Change in Control had not occurred.

- (b) If the RSUs become payable on the Grantee's "separation from service" with the Company and its Subsidiaries within the meaning of Section 409A(a)(2)(A)(i) of the Code and the Grantee is a "specified employee" as determined pursuant to procedures adopted by the Company in compliance with Section 409A of the Code, then, to the extent necessary to comply with Section 409A of the Code, payment for the RSUs shall be made on the earlier of the first day of the seventh month after the date of the Grantee's "separation from service" with the Company and its Subsidiaries within the meaning of Section 409A(a)(2)(A)(i) of the Code or the Grantee's death.
- (c) The Company's obligations to the Grantee with respect to the RSUs will be satisfied in full upon the issuance of Common Stock corresponding to such RSUs.

6. **Dividend Equivalents; Voting and Other Rights.**

- (a) The Grantee shall have no rights of ownership in the Common Stock underlying the RSUs and no right to vote the Common Stock underlying the RSUs until the date on which the Common Stock underlying the RSUs is issued or transferred to the Grantee pursuant to **Section 5** above.
- (b) From and after the Date of Grant and until the earlier of (i) the time when the RSUs become nonforfeitable and are paid in accordance with **Section 5** hereof or (ii) the time when the Grantee's right to receive Common Stock in payment of the RSUs is forfeited in accordance with **Section 4** hereof, on the date that the Company pays a cash dividend (if any) to holders of Common Stock generally, the Grantee shall be credited with cash per RSU equal to the amount of such dividend. Any amounts credited pursuant to the immediately preceding sentence shall be subject to the same applicable terms and conditions (including vesting, payment and forfeitability) as apply to the RSUs based on which the dividend equivalents were credited, and such amounts shall be paid in cash at the same time as the RSUs to which they relate are settled.
- (c) The obligations of the Company under this Notice will be merely that of an unfunded and unsecured promise of the Company to deliver Common Stock in the future, and the rights of the Grantee will be no greater than that of an unsecured general creditor. No assets of the Company will be held or set aside as security for the obligations of the Company under this Notice.

7. **Adjustments.** The RSUs and the number of shares of Common Stock issuable for each RSU, and the other terms and conditions of the grant evidenced by this Notice, are subject to mandatory adjustment, including as provided in Section 11 of the Plan.

8. **Taxes.** The Grantee will be solely responsible for the payment of all taxes that arise with respect to the granting and payment of the RSUs, including the payment of any shares of Common Stock.

9. **Compliance with Law.** The Company shall make reasonable efforts to comply with all applicable federal and state securities laws; provided, however, notwithstanding any other provision of the Plan and this Notice, the Company shall not be obligated to issue any Common Stock pursuant to this Notice if the issuance thereof would result in a violation of any such law.

10. **Compliance with or Exemption from Section 409A of the Code.** To the extent applicable, it is intended that this Notice and the Plan comply with the provisions of Section 409A of the Code. This Notice and the Plan shall be administered in a manner consistent with this intent, and any provision that would cause this Notice or the Plan to fail to satisfy Section 409A of the Code shall have no force or effect until amended to comply with Section 409A of the Code (which amendment may be retroactive to the extent permitted by Section 409A of the Code and may be made by the Company without the consent of the Grantee).

11. **Interpretation.** Any reference in this Notice to Section 409A of the Code will also include any proposed, temporary or final regulations, or any other guidance, promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service.

12. **No Right to Future Awards or Board Membership.** The grant of the RSUs under this Notice to the Grantee is a voluntary, discretionary award being made on a one-time basis and it does not constitute a commitment to make any future awards. Nothing contained in this Notice shall confer upon the Grantee any right to continued service as a member of the Board.

13. **Amendments.** Any amendment to the Plan shall be deemed to be an amendment to this Notice to the extent that the amendment is applicable hereto; provided, however, that (a) no amendment shall adversely affect the rights of the Grantee under this Notice without the Grantee's written consent, and (b) the Grantee's consent shall not be required to an amendment that is deemed necessary by the Company to ensure compliance with Section 409A of the Code.

14. **Severability.** In the event that one or more of the provisions of this Notice shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable.

15. **Relation to Plan.** This Notice is subject to the terms and conditions of the Plan. In the event of any inconsistency between the provisions of this Notice and the Plan, the Plan shall govern. The Committee acting pursuant to the Plan, as constituted from time to time, shall, except as expressly provided otherwise herein or in the Plan, have the right to determine any questions which arise in connection with this Notice.

16. **Electronic Delivery.** The Company may, in its sole discretion, deliver any documents related to the RSUs and the Grantee's participation in the Plan, or future awards that may be granted under the Plan, by electronic means or request the Grantee's consent to participate in the Plan by electronic means. The Grantee hereby consents to receive such documents by electronic delivery and, if requested, agrees to participate in the Plan through an online or electronic system established and maintained by the Company or another third party designated by the Company.

17. **Governing Law.** This Notice shall be governed by and construed with the internal substantive laws of the State of Delaware, without giving effect to any principle of law that would result in the application of the law of any other jurisdiction.

18. **Successors and Assigns.** Without limiting **Section 3** hereof, the provisions of this Notice shall inure to the benefit of, and be binding upon, the successors, administrators, heirs, legal representatives and assigns of the Grantee, and the successors and assigns of the Company.

19. **Acknowledgement.** The Grantee acknowledges that the Grantee (a) has received a copy of the Plan, (b) has had an opportunity to review the terms of this Notice and the Plan, (c) understands the terms and conditions of this Notice and the Plan and (d) agrees to such terms and conditions.

CERTIFICATIONS

I, William P. Livek, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of comScore, 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.

/s/ William P. Livek

William P. Livek
Chief Executive Officer
(Principal Executive Officer)

Date: May 6, 2021

CERTIFICATIONS

I, Gregory A. Fink, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of comScore, 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.

/s/ Gregory A. Fink

Gregory A. Fink
Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: May 6, 2021

Certification Pursuant to 18 U.S.C. Section 1350

In connection with the Quarterly Report of comScore, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2021, as filed with the Securities and Exchange Commission (the "SEC") on the date hereof (the "Report"), I, William P. Livek, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the SEC or its staff upon request.

/s/ William P. Livek

William P. Livek
Chief Executive Officer
(Principal Executive Officer)

Date: May 6, 2021

Certification Pursuant to 18 U.S.C. Section 1350

In connection with the Quarterly Report of comScore, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2021, as filed with the Securities and Exchange Commission (the "SEC") on the date hereof (the "Report"), I, Gregory A. Fink, Chief Financial Officer and Treasurer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the SEC or its staff upon request.

/s/ Gregory A. Fink

Gregory A. Fink
Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: May 6, 2021