
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 September 30, 2017

or

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

For the transition period from _____ to _____

Commission file number 001-37893

COGINT, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

77-0688094
(I.R.S. Employer
Identification No.)

2650 North Military Trail, Suite 300,
Boca Raton, Florida 33431
(Address of Principal Executive Offices) (Zip Code)

(561) 757-4000
(Registrant's Telephone Number, Including Area Code)

(Former name, former address and former fiscal year, if changed since last report)

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

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

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

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input 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

As of November 3, 2017, the registrant had 59,677,382 shares of common stock outstanding.

COGINT, INC.

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PART I - FINANCIAL INFORMATION

Unless otherwise indicated or required by the context, all references in this Quarterly Report on Form 10-Q to “we,” “us,” “our,” “cogint,” or the “Company,” refer to Cogint, Inc. and its consolidated subsidiaries.

ITEM 1. FINANCIAL STATEMENTS.

COGINT, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Amounts in thousands, except share data)

	(unaudited)	
	September 30, 2017	December 31, 2016
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 10,323	\$ 10,089
Accounts receivable, net of allowance for doubtful accounts of \$2,401 and \$790 at September 30, 2017 and December 31, 2016, respectively	37,148	30,958
Prepaid expenses and other current assets	2,315	2,053
Total current assets	49,786	43,100
Property and equipment, net	1,899	1,350
Intangible assets, net	91,554	98,531
Goodwill	166,256	166,256
Other non-current assets	2,425	2,674
Total assets	\$ 311,920	\$ 311,911
LIABILITIES AND SHAREHOLDERS' EQUITY:		
Current liabilities:		
Trade accounts payable	\$ 12,400	\$ 14,725
Accrued expenses and other current liabilities	15,622	6,981
Deferred revenue	444	318
Current portion of long-term debt	2,750	4,135
Total current liabilities	31,216	26,159
Promissory notes payable to certain shareholders, net	10,543	10,748
Long-term debt, net	49,555	35,130
Acquisition consideration payable in stock	10,225	10,225
Total liabilities	101,539	82,262
Shareholders' equity:		
Series A preferred stock—\$0.0001 par value, 10,000,000 shares authorized; 0 share issued and outstanding at September 30, 2017 and December 31, 2016	-	-
Series B preferred stock—\$0.0001 par value, 10,000,000 shares authorized; 0 share issued and outstanding at September 30, 2017 and December 31, 2016	-	-
Common stock—\$0.0005 par value, 200,000,000 shares authorized; 56,418,136 and 53,717,996 shares issued at September 30, 2017 and December 31, 2016, respectively; and 56,065,613 and 53,557,761 shares outstanding at September 30, 2017 and December 31, 2016, respectively	28	27
Treasury stock, at cost, 352,523 and 160,235 shares at September 30, 2017 and December 31, 2016, respectively	(1,274)	(531)
Additional paid-in capital	373,087	344,384
Accumulated deficit	(161,460)	(114,231)
Total shareholders' equity	210,381	229,649
Total liabilities and shareholders' equity	\$ 311,920	\$ 311,911

See notes to condensed consolidated financial statements

COGINT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Amounts in thousands, except share data)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Revenue	\$ 57,248	\$ 52,176	\$ 161,038	\$ 132,643
Cost of revenues (exclusive of depreciation and amortization)	37,687	39,658	109,509	97,709
Gross profit	19,561	12,518	51,529	34,934
Operating expenses:				
Sales and marketing expenses	6,280	3,699	16,636	10,004
General and administrative expenses	21,365	13,614	60,938	40,148
Depreciation and amortization	3,585	3,507	10,460	9,112
Write-off of long-lived assets	-	4,055	3,626	4,055
Total operating expenses	31,230	24,875	91,660	63,319
Loss from operations	(11,669)	(12,357)	(40,131)	(28,385)
Other income (expense):				
Interest expense, net	(2,426)	(1,880)	(7,098)	(5,561)
Other expenses, net	-	-	-	(1,273)
Total other expense	(2,426)	(1,880)	(7,098)	(6,834)
Loss before income taxes	(14,095)	(14,237)	(47,229)	(35,219)
Income taxes	-	(4,493)	-	(11,519)
Net loss	\$ (14,095)	\$ (9,744)	\$ (47,229)	\$ (23,700)
Loss per share:				
Basic and diluted	\$ (0.25)	\$ (0.19)	\$ (0.86)	\$ (0.56)
Weighted average number of shares outstanding:				
Basic and diluted	55,390,247	50,654,690	54,665,776	42,100,504
Comprehensive loss:				
Net comprehensive loss	\$ (14,095)	\$ (9,744)	\$ (47,229)	\$ (23,700)

See notes to condensed consolidated financial statements

COGINT, INC.
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(Amounts in thousands, except share data)
(unaudited)

	Common stock		Treasury stock		Additional paid-in capital	Accumulated deficit	Total Shareholders' equity
	Shares	Amount	Shares	Amount			
Balance as at December 31, 2016	53,717,996	\$ 27	160,235	\$ (531)	\$ 344,384	\$ (114,231)	\$ 229,649
Vesting of restricted stock units and issuance of restricted stock	2,700,140	1	-	-	(1)	-	-
Increase in treasury stock resulting from shares withheld to pay statutory taxes in connection with the vesting of restricted stock units	-	-	192,288	(743)	-	-	(743)
Share-based compensation	-	-	-	-	28,704	-	28,704
Net loss	-	-	-	-	-	(47,229)	(47,229)
Balance as at September 30, 2017	<u>56,418,136</u>	<u>\$ 28</u>	<u>352,523</u>	<u>\$ (1,274)</u>	<u>\$ 373,087</u>	<u>\$ (161,460)</u>	<u>\$ 210,381</u>

See notes to condensed consolidated financial statements

COGINT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands, except share data)
(unaudited)

	Nine Months Ended September 30,	
	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (47,229)	\$ (23,700)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Depreciation and amortization	10,460	9,112
Non-cash interest expenses and related amortization	2,268	1,839
Share-based compensation expense	27,702	21,941
Non-cash loss on exchange of warrants	-	1,273
Write-off of long-lived assets	3,626	4,055
Provision for bad debts	2,352	666
Deferred income tax benefit	-	(11,561)
Changes in assets and liabilities:		
Accounts receivable	(8,542)	(3,301)
Prepaid expenses and other current assets	(262)	545
Other non-current assets	249	(549)
Trade accounts payable	(2,325)	5,027
Accrued expenses and other current liabilities	8,641	(533)
Deferred revenue	126	(428)
Net cash (used in) provided by operating activities	<u>(2,934)</u>	<u>4,386</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(1,144)	(722)
Capitalized costs included in intangible assets	(5,512)	(7,980)
Acquisition, net of cash acquired	-	(50)
Deposits as collateral	-	(750)
Net cash used in investing activities	<u>(6,656)</u>	<u>(9,502)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of shares, net of issuance costs	-	4,724
Proceeds for debt obligations, net of debt costs	14,039	(682)
Repayments of long-term debt	(3,472)	(1,688)
Taxes paid related to net share settlement of vesting of restricted stock units	(743)	(305)
Net cash provided by financing activities	<u>9,824</u>	<u>2,049</u>
Net increase (decrease) in cash and cash equivalents	\$ 234	\$ (3,067)
Cash and cash equivalents at beginning of period	10,089	13,462
Cash and cash equivalents at end of period	\$ 10,323	\$ 10,395
SUPPLEMENTAL DISCLOSURE INFORMATION		
Cash paid for interest	\$ 4,940	\$ 3,795
Cash paid for income taxes	\$ -	\$ -
Share-based compensation expense capitalized in intangible assets	\$ 1,002	\$ 868
Issuance of common stock to a vendor for services rendered	\$ -	\$ 146
Fair value of acquisition consideration	\$ -	\$ 21,206
Warrants issued in relation to the term loan	\$ -	\$ 492

See notes to condensed consolidated financial statements

COGINT, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Amounts in thousands, except share data)
(unaudited)

1. Summary of significant accounting policies

(a) Basis of preparation and liquidity

The accompanying unaudited condensed consolidated financial statements have been prepared for Cogint, Inc., a Delaware corporation, in accordance with accounting principles generally accepted in the United States (“US GAAP”) and applicable rules and regulations of the Securities and Exchange Commission (the “SEC”) regarding interim financial reporting. Certain information and note disclosures normally included in annual financial statements prepared in accordance with US GAAP have been condensed or omitted pursuant to those rules and regulations.

The accompanying unaudited condensed consolidated financial statements reflect all normal recurring adjustments necessary to present fairly the financial position, results of operations, and cash flows for the interim periods, but are not necessarily indicative of the results of operations to be anticipated for any future interim periods or for the full year ending December 31, 2017.

The information included in this quarterly report on Form 10-Q should be read in conjunction with the consolidated financial statements and accompanying notes included in our Annual Report on Form 10-K for the year ended December 31, 2016 (“2016 Form 10-K”).

The condensed consolidated balance sheet as of December 31, 2016 included herein was derived from the audited financial statements as of that date included in the 2016 Form 10-K, but does not include all disclosures including notes required by US GAAP.

Reclassifications

Certain prior period items, including write-off of long-lived assets, have been reclassified to conform to the current period presentation.

Principles of consolidation

The condensed consolidated financial statements include the financial statements of the Company and its subsidiaries. All significant transactions among the Company and its subsidiaries have been eliminated upon consolidation.

(b) Recently issued accounting standards

In May 2014, Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2014-09 (“ASU 2014-09”), “*Revenue from Contracts with Customers (Topic 606)*.” The standard’s core principle is that a company will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. In August 2015, FASB issued ASU No. 2015-14, “*Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*,” which delays the effective date of ASU 2014-09 by one year. FASB also agreed to allow entities to choose to adopt the standard as of the original effective date. In March 2016, FASB issued ASU No. 2016-08, “*Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net)*” (“ASU 2016-08”), which clarifies the implementation guidance on principal versus agent considerations. The guidance includes indicators to assist an entity in evaluating whether it controls the good or the service before it is transferred to the customer. The new revenue recognition standard will be effective for public entities for annual reporting periods beginning after December 15, 2017, and interim periods therein, that is, the first quarter of 2018. The new standard also permits two methods of adoption: retrospectively to each prior reporting period presented (full retrospective method), or retrospectively with the cumulative effect of initially applying the guidance recognized at the date of initial application (the modified retrospective method). We currently do not plan to early adopt ASU 2014-09, and we anticipate adopting the standard using the modified retrospective method. We plan to have our preliminary assessment on the impact this guidance will have on our condensed consolidated financial statements and related disclosures in the fourth quarter of 2017.

In February 2016, FASB issued ASU No. 2016-02 (“ASU 2016-02”), “*Leases (Topic 842)*,” which generally requires companies to recognize operating and financing lease liabilities and corresponding right-of-use assets on the balance sheet. This guidance will be effective in the first quarter of 2019 on a modified retrospective basis and early adoption is permitted. We are still evaluating the effect that this guidance will have on our consolidated financial statements and related disclosures.

In March 2016, FASB issued ASU No. 2016-09 (“ASU 2016-09”), “*Compensation-Stock Compensation (Topic 718): Improvement to Employee Share-based Payment Accounting*,” which simplifies the accounting for share-based payment transactions, including the income tax consequences, an option to recognize gross share-based compensation expense with actual forfeitures recognized as they occur, as well as certain classifications on the statement of cash flows. We adopted ASU 2016-09 in the first quarter of 2017 on a retrospective basis. As a result of the adoption, the Company recorded an increase to the deferred tax asset balance and an increase to the corresponding valuation allowance of \$301 related to the cumulative-effect adjustment as of January 1, 2017. For the three and nine months ended September 30, 2017, the Company recorded tax expense of \$482 and \$2,451, respectively, which was offset by a corresponding reduction in the valuation allowance.

In August 2016, FASB issued ASU No. 2016-15 (“ASU 2016-15”), “*Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*,” which provides guidance for certain cash flow issues, including contingent consideration payments made after a business combination and debt prepayment or debt extinguishment costs, etc. The guidance will be effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years, and early adoption is permitted. We are still evaluating the impact of ASU 2016-15 on our condensed consolidated financial statements.

In November 2016, the FASB issued ASU 2016-18 (“ASU 2016-18”), “*Restricted Cash*,” which requires entities to show the changes in the total of cash, cash equivalents, restricted cash and restricted cash equivalents in the statement of cash flows. ASU 2016-18 is effective for interim and annual reporting periods beginning after December 15, 2017, with early adoption permitted. The Company plans to adopt this standard on January 1, 2018, and the standard will result in changes to its consolidated statements of cash flows such that restricted cash amounts will be included in the beginning-of-period and end-of-period cash and cash equivalents totals.

In January 2017, the FASB issued Accounting Standards Update No. 2017-04 (“ASU 2017-04”), “*Intangibles - Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment*,” which eliminates step two from the goodwill impairment test. Under ASU 2017-04, an entity should recognize an impairment charge for the amount by which the carrying amount of a reporting unit exceeds its fair value up to the amount of goodwill allocated to that reporting unit. This guidance will be effective for us in the first quarter of 2020 on a prospective basis, and early adoption is permitted. We do not expect the standard to have a material impact on our condensed consolidated financial statements.

2. Loss per share

Basic loss per share is computed by dividing net loss by the weighted average number of common shares outstanding during the periods. Diluted loss per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock and is calculated using the treasury stock method for stock options and unvested shares. Common equivalent shares are excluded from the calculation in the loss periods as their effects would be anti-dilutive.

The information related to basic and diluted loss per share for the three and nine months ended September 30, 2017 and 2016 is as follows:

(In thousands, except share data)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Numerator:				
Net loss	\$ (14,095)	\$ (9,744)	\$ (47,229)	\$ (23,700)
Denominator:				
Weighted average shares outstanding - Basic and diluted	55,390,247	50,654,690	54,665,776	42,100,504
Loss per share:				
Basic and diluted:	\$ (0.25)	\$ (0.19)	\$ (0.86)	\$ (0.56)

3. Intangible assets, net

Intangible assets other than goodwill consist of the following:

(In thousands)	Amortization period	September 30, 2017	December 31, 2016
Gross amount:			
Software developed for internal use	3-10 years	17,945	11,438
Acquired proprietary technology	5 years	11,381	13,532
Customer relationships	7-10 years	34,986	34,986
Trade names	20 years	16,357	18,057
Domain names	20 years	199	191
Databases	5-10 years	31,292	31,292
Non-competition agreements	2-5 years	1,768	1,768
		<u>113,928</u>	<u>111,264</u>
Accumulated amortization:			
Software developed for internal use		(1,312)	(505)
Acquired proprietary technology		(4,124)	(2,660)
Customer relationships		(8,431)	(4,840)
Trade names		(1,482)	(916)
Domain names		(17)	(10)
Databases		(6,061)	(3,354)
Non-competition agreements		(947)	(448)
		<u>(22,374)</u>	<u>(12,733)</u>
Net intangible assets:			
Software developed for internal use		16,633	10,933
Acquired proprietary technology		7,257	10,872
Customer relationships		26,555	30,146
Trade names		14,875	17,141
Domain names		182	181
Databases		25,231	27,938
Non-competition agreements		821	1,320
		<u>\$ 91,554</u>	<u>\$ 98,531</u>

The gross amount associated with software developed for internal use mainly represents capitalized costs of internally developed software. The amounts relating to acquired proprietary technology, customer relationships, trade names, domain names, databases, and non-competition agreements mainly represent the fair values of intangible assets acquired as a result of the acquisition of Fluent, LLC ("Fluent") effective on December 8, 2015 (the "Fluent Acquisition") and the acquisition of Q Interactive, LLC ("Q Interactive") effective on June 8, 2016 (the "Q Interactive Acquisition").

On January 18, 2017, the Company's management and Board of Directors approved a plan to merge and fully integrate Q Interactive's business into Fluent (the "Q Interactive Integration"). As a result, the remaining balance of long-lived assets of \$3,626, relating primarily to the acquired proprietary technology and trade names acquired in the Q Interactive Acquisition, was written off to operating expenses as a write-off of long-lived assets.

Amortization expenses of \$3,362 and \$3,333 for the three months ended September 30, 2017 and 2016, respectively, and \$9,931 and \$8,726 for the nine months ended September 30, 2017 and 2016, respectively, were included in depreciation and amortization expenses. As of September 30, 2017, intangible assets of \$3,444, included in the gross amounts of software developed for internal use, have not been amortized. These intangible assets will start to amortize when they are put into use.

As of September 30, 2017, estimated amortization expenses related to the Company's intangible assets for the remainder of 2017 through 2022 and thereafter are as follows:

(In thousands) Year	September 30, 2017
Remainder of 2017	\$ 3,640
2018	14,307
2019	14,042
2020	13,387
2021	10,204
2022 and thereafter	35,974
Total	<u>\$ 91,554</u>

4. Goodwill

Goodwill represents the cost in excess of the fair value of the net assets acquired in a business combination. As of September 30, 2017 and December 31, 2016, the balance of goodwill includes \$5,227 as a result of the acquisition of Interactive Data, LLC ("Interactive Data") effective on October 2, 2014, \$155,645 as a result of the Fluent Acquisition effective on December 8, 2015, and \$5,384 as a result of the Q Interactive Acquisition effective on June 8, 2016.

In accordance with ASC Topic 350, "Intangibles - Goodwill and Other," goodwill is tested at least annually for impairment, or when events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable, by assessing qualitative factors or performing a quantitative analysis in determining whether it is more likely than not that its fair value exceeds the carrying value. The measurement date of our annual goodwill impairment test is October 1.

As of September 30, 2017, there are no events or changes in circumstances to indicate that goodwill is impaired.

5. Long-term debt, net

Long-term debt, net, including promissory notes payable to certain shareholders, net, as of September 30, 2017, consist of the following:

(In thousands)	12% term loan, due 2020	12% incremental term loan, due 2020	10% promissory notes, due 2021	Total
Principal amount	\$ 41,203	\$ 14,485	\$ 10,000	\$ 65,688
Less: unamortized debt issuance costs	3,156	783	330	4,269
Add: PIK interest accrued to the principal balance	546	10	873	1,429
Long-term debt, net	38,593	13,712	10,543	62,848
Less: Current portion of long-term debt	2,062	688	-	2,750
Long-term debt, net (non-current)	<u>\$ 36,531</u>	<u>\$ 13,024</u>	<u>\$ 10,543</u>	<u>\$ 60,098</u>

Long-term debt, net, including promissory notes payable to certain shareholders, net, as of December 31, 2016, consist of the following:

(In thousands)	12% term loan, due 2020	10% promissory notes, due 2021	Total
Principal amount	\$ 42,750	10,000	\$ 52,750
Less: unamortized debt issuance costs	3,964	384	4,348
Add: PIK interest accrued to the principal balance	479	1,132	1,611
Long-term debt, net	39,265	10,748	50,013
Less: Current portion of long-term debt	4,135	-	4,135
Long-term debt, net (non-current)	<u>\$ 35,130</u>	<u>\$ 10,748</u>	<u>\$ 45,878</u>

Term Loan

On December 8, 2015, Fluent entered into an agreement (“Credit Agreement”) with certain financial institutions, for a term loan in the amount of \$45,000 (“Term Loan”), with Whitehorse Finance, Inc. acting as the agent (the “Term Loan Agent”). Fluent’s obligations in respect of the Term Loan are guaranteed by the Company and substantially all of the other direct and indirect subsidiaries of the Company and secured by substantially all of such entities’ assets. The Credit Agreement has a five year term.

Prior to the Amendment No. 3 to Credit Agreement entered into on January 19, 2017 (the “Amendment No. 3”), payments of principal in the amount of \$563 each were due on the last day of each quarter, commencing March 31, 2016. Additionally, 50% of excess cash flow of Fluent and its subsidiaries for the immediately preceding fiscal year is required, in the Term Loan Agent’s sole discretion, to be paid towards the Term Loan obligations, commencing with the fiscal year ending December 31, 2016. As a result of the excess cash flow for the year ended December 31, 2016, we reclassified a total amount of \$1,885 into current portion of long-term debt in the condensed consolidated balance sheet as of December 31, 2016. Because the Term Loan Agent refused the prepayment, we reclassified the \$1,885 back to non-current portion of long-term debt in the first quarter of 2017. The Credit Agreement provides for certain other customary mandatory prepayments upon certain events, and also provides for certain prepayment premiums during the first four years of the Term Loan, provided that the prepayment premiums are not applicable to scheduled payments of principal, the required excess cash flow payments and certain other required prepayments.

Debt issuance costs, including the fair value of warrants issued to the Term Loan Agent and its affiliates in prior periods (“Whitehorse Warrants”), are amortized into interest expense over the term of the Term Loan using the interest method. The Whitehorse Warrants include warrants to purchase, in aggregate, 300,000 shares of common stock, with an exercise price of \$5.08 per share. We estimate the fair value of such warrants on the date of grant using a Black-Scholes pricing model and recognized them as debt issuance costs and additional paid-in capital.

The Credit Agreement, as amended, contains customary representations and warranties, covenants (including certain financial covenants), and events of default, upon the occurrence of which the Term Loan Agent may accelerate the obligations under the Credit Agreement. Certain restrictive covenants impose limitations on the way we conduct our business, including limitations on the amount of additional debt we can incur and restricts our ability to make certain investments and other restricted payments, including certain intercompany payments of cash and other property. The financial covenants include the requirement that the Company and its subsidiaries attain, on a quarterly basis, certain minimum EBITDA thresholds for the immediately preceding twelve-month period, Fluent and its subsidiaries attain, on a quarterly basis, certain minimum EBITDA thresholds for the immediately preceding twelve-month period, Fluent and its subsidiaries meet certain leverage ratios on a quarterly basis, Fluent and its subsidiaries meet certain fixed charge coverage ratios on a quarterly basis, and Fluent and its subsidiaries maintain at all times cash and cash equivalent balances of at least \$2.0 million (or such lesser amount agreed to by the Term Loan Agent), in the aggregate. On August 7, 2017, the Company and its subsidiaries entered into Amendment No. 4 to the Credit Agreement (“Amendment No. 4”). Amendment No. 4 provides that there shall be no requirement that the Company and its subsidiaries meet any minimum EBITDA threshold for the twelve-month period ended June 30, 2017. The requirement that Fluent and its subsidiaries meet the required minimum EBITDA threshold for the twelve-month period ended June 30, 2017 was not impacted by Amendment No. 4. As of June 30, 2017, the Company was in compliance with the covenants under the Credit Agreement, after giving effect to Amendment No. 4. On November 3, 2017, the Company and its subsidiaries entered into Amendment No. 5 to the Credit Agreement (“Amendment No. 5”). Amendment No. 5 provides for certain amendments to the definition of EBITDA by adding back acquisition and restructuring costs resulting from the Business Combination Transaction (as defined below), and non-recurring costs relating to litigation with TRADS that we settled on July 22, 2017. Amendment No. 5 also amends the minimum EBITDA threshold for the Company and its subsidiaries beginning with the quarter ended September 30, 2017. In addition, Amendment No. 5 allows for additional transfer of cash from Fluent to the Company, provided that Fluent maintains a minimum cash balance. As of September 30, 2017, the Company was in compliance with the covenants under the Credit Agreement, after giving effect to Amendment No. 5.

Incremental Term Loan

On January 19, 2017, Fluent entered into Amendment No. 3, amending Fluent's Term Loan facility dated December 8, 2015. The Amendment No. 3, among other things, provides for a new term loan in the principal amount of \$15,000 (“Incremental Term Loan”), subject to the terms and conditions of the Amendment No. 3, and modifies certain other Credit Agreement provisions, including certain financial covenants and related definitions. The entire Incremental Term Loan of \$14,039, net of debt issuance costs of \$961, was received on February 1, 2017.

The Incremental Term Loan and Fluent's existing Term Loan (collectively, the "Term Loans") are guaranteed by the Company and the other direct and indirect subsidiaries of the Company, and are secured by substantially all of the assets of the Company and its direct and indirect subsidiaries, including Fluent, in each case, on an equal and ratable basis. The Term Loans accrue interest at the rate of: (a) either, at Fluent's option, LIBOR (subject to a floor of 0.50%) plus 10.5% per annum, or base rate plus 9.5% per annum, payable in cash, plus (b) 1% per annum, payable, at Fluent's option, in either cash or in-kind. Payments of principal of the Term Loans are \$688 per quarter, replacing the original \$563 for the Term Loan, payable at the end of each calendar quarter, commencing on March 31, 2017. The Term Loans mature on December 8, 2020.

Promissory Notes

On December 8, 2015, the Company entered into and consummated the promissory notes financing (the "Promissory Notes") with each of Frost Gamma Investment Trust ("Frost Gamma"), an affiliate of Phillip Frost, M.D., the Vice Chairman of the Company's Board of Directors, Michael Brauser, Chairman of the Board of Directors, and another investor (collectively, the "Promissory Note Investors"), pursuant to which the Company issued Promissory Notes of \$5.0 million to Frost Gamma, \$4.0 million to Michael Brauser, and \$1.0 million to another investor, for an aggregate financing in the amount of \$10.0 million. The Promissory Note Investors received (i) a promissory note in the principal amount equal to the amount of their respective promissory notes, with a rate of interest of 10% per annum, which interest shall be capitalized monthly by adding to the outstanding principal amount of such Promissory Notes, and (ii) a grant of 100 shares of convertible Series B preferred stock ("Series B Preferred") for each \$1.0 million increment of their respective Promissory Notes, with a total of 1,000 shares of Series B Preferred granted ("Promissory Note Shares"), pursuant to fee letter agreements. Each share of Series B Preferred automatically converted into 50 shares of common stock in February 2016.

Under the terms of the Promissory Notes, the Company is required to repay the principal and all accrued interest six months after the repayment of all amounts due under the Credit Agreement, except that the Company may repay the Promissory Notes earlier from the proceeds of a round of public equity financing. During the nine months ended September 30, 2017, the Company repaid accrued paid-in-kind ("PIK") interest of \$533, \$426, and \$107 to Frost Gamma, Michael Brauser and another investor, respectively.

The fair value of Promissory Note Shares of \$413 was calculated by multiplying the closing common stock market price of the Company on December 8, 2015 of \$8.45, with the total shares granted, as converted, which was recognized as debt issuance costs.

In connection with the Promissory Notes, on December 8, 2015, the Company, each lender under the Promissory Notes, and the Term Loan Agent, etc. entered into a Subordination Agreement (the "Subordination Agreement"), pursuant to which the debt under the Promissory Notes was made expressly subordinate to the debt under the Credit Agreement. In addition, the Subordination Agreement restricts the terms of the Promissory Notes. The terms of the Subordination Agreement shall remain in effect until such time that all obligations under the Credit Agreement are paid in full.

The net balance of Promissory Notes is presented as promissory notes payable to certain shareholders, net, in the condensed consolidated balance sheet.

Fair value

As mentioned above, the Company's long-term debt outstanding as of September 30, 2017 represented 1) the Term Loans with interest at LIBOR (with a floor of 0.5%) plus 10.5% per annum and 2) the Promissory Notes pursuant to the agreements effective December 8, 2015, with a rate of interest of 10% per annum. Considering the Term Loans have a variable interest rate, and interest rates have been relatively stable, we regard the fair values of the long-term debt to approximate their carrying amount as of September 30, 2017. This fair value assessment represents Level 2 measurements.

6. Income taxes

The Company is subject to federal and state income taxes in the United States. Our tax provision for interim periods is determined using an estimate of our annual effective tax rate, adjusted for discrete items arising in that quarter. In each quarter, we update our estimate of the annual effective tax rate, and if our estimated annual tax rate changes, we make a cumulative adjustment in that quarter.

The Company's effective income tax rate differed from the statutory federal income tax rate of 34% for the three and nine months ended September 30, 2017 and 2016. For the three and nine months ended September 30, 2017, the effective income tax rate was 0%, and the difference is mainly the result of the full valuation allowance applied against the Company's deferred tax assets and state income taxes. For the three and nine months ended September 30, 2016, the effective income tax rate was 32% and 33%, respectively, and this difference is primarily due to state income taxes and nondeductible expenses.

The Company assesses its income tax positions and records tax benefits for all years subject to examination based upon its evaluation of the facts, circumstances and information available at the reporting date. For those tax positions where it is more-likely-than-not that a tax benefit will be sustained, the Company has recorded the largest amount of tax benefit with a greater than 50% likelihood of being realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. For those income tax positions where it is not more-likely-than-not that a tax benefit will be sustained, no tax benefit has been recognized in the Company's financial statements.

The balance of unrecognized tax benefits as of September 30, 2017 and December 31, 2016 was \$1,668. In the Company's tax return filed for the year ended December 31, 2015, a loss of \$4,375, resulting from the disposal of all assets and liabilities related to the Company's Chinese and British Virgin Islands based subsidiaries (collectively, the "Advertising Business") in 2015, was included. This uncertain tax position of \$1,668 is reflected as a reduction in deferred tax assets. Based on management's assessment, no tax benefit has been recognized for the loss mentioned above. This unrecognized tax benefit, if recognized, would favorably affect the Company's annual effective tax rate before application of any valuation allowance. The Company has not accrued any interest or penalties as of September 30, 2017 with respect to its uncertain tax positions.

The Company does not anticipate a significant increase or reduction in unrecognized tax benefits within the next twelve months.

7. Common stock, treasury stock and warrants

Common stock

As of September 30, 2017 and December 31, 2016, the number of issued shares of common stock was 56,418,136 and 53,717,996, respectively, which included shares of treasury stock of 352,523 and 160,235, respectively.

The change in the number of issued shares of common stock during the nine months ended September 30, 2017 was due to the issuance of an aggregate of 2,700,140 shares of common stock from the vesting of restricted stock units ("RSUs") and the issuance of restricted stock, including 192,288 shares of common stock withheld to pay withholding taxes upon such vesting, which are reflected in treasury stock.

Treasury stock

As of September 30, 2017 and December 31, 2016, the Company held shares of treasury stock of 352,523 and 160,235, with a cost of \$1,274 and \$531, respectively. This increase in treasury stock during the nine months ended September 30, 2017 was due to shares withheld to pay withholding taxes upon the vesting of RSUs.

Warrants

As of September 30, 2017 and December 31, 2016, warrants to purchase an aggregate of 2,220,102 shares of common stock were outstanding, with exercise prices ranging from \$3.75 to \$10.00 per share.

8. Share-based payments

As of September 30, 2017, the Company maintains two share-based incentive plans: the 2008 Share Incentive Plan (the "2008 Plan"), which was carried forward as a result of the reverse acquisition between the Company and The Best One, Inc. ("TBO") consummated on March 21, 2015, whereby TBO became a wholly-owned subsidiary of the Company (the "TBO Merger"), and the Cogint, Inc. 2015 Stock Incentive Plan (the "2015 Plan"), approved during the annual meeting of stockholders on June 2, 2015, which authorized the issuance of 2,500,000 shares of common stock. The total shares of common stock authorized for issuance under the 2015 Plan was increased on June 3, 2016 to 12,500,000 shares, and subsequently increased on September 6, 2017 to 13,500,000 shares, which subsequent increase becomes effective 20 days after the mailing of the stockholder notice on Schedule 14C. The primary purpose of the 2015 Plan is to attract, retain, reward and motivate certain individuals by providing them with an opportunity to acquire or increase a proprietary interest in the Company and to incentivize them to expend maximum effort for the growth and success of the Company, so as to strengthen the mutuality of the interests between such individuals and the stockholders of the Company.

As of September 30, 2017, there were 180,568 and 3,838,658 shares (inclusive of the increase of 1,000,000 shares to the 2015 Plan approved on September 6, 2017) of common stock reserved for issuance under the 2008 Plan and the 2015 Plan, respectively.

Shares issued outside of the 2008 Plan and 2015 Plan

The following RSUs were issued outside of the 2008 Plan and 2015 Plan:

Marlin Capital Investments, LLC (“Marlin Capital”), a company which our Chairman Michael Brauser owns 50% and is one of two managers, holds RSUs representing the right to receive 2,000,000 shares of the Company’s common stock, which RSUs are outside of the 2008 Plan and 2015 Plan. These RSUs vest annually beginning from October 13, 2015 only if certain performance goals of the Company are met. The shares underlying such RSUs will not be delivered until October 13, 2018, unless there is a change of control of the Company. Share-based compensation expenses of \$315 and \$315 for the three months ended September 30, 2017 and 2016, respectively, and \$937 and \$937 for the nine months ended September 30, 2017 and 2016, respectively, associated with shares under the Marlin Capital agreement, were recognized.

Effective November 16, 2015, the Company entered into an employment agreement with Michael Brauser (the “Michael Brauser Employment Agreement”) relating to his service as Executive Chairman of the Board of Directors, pursuant to which, Michael Brauser will receive an annual base salary of \$25 payable in accordance with the Company’s general payroll practices and RSUs outside of the 2008 Plan and 2015 Plan representing the right to receive 5,000,000 shares of common stock. The issuance of shares of common stock underlying the RSUs was approved by the stockholders at the annual meeting in 2016. These RSUs vest ratably over a four-year period; provided, however, that no portion of the RSUs shall vest unless and until the Company has gross revenue in excess of \$100.0 million and positive EBITDA in any one fiscal year during the vesting period (the “Vesting Conditions”). In addition, such RSUs vest in full upon a Company change in control, termination of Michael Brauser without cause, termination by Michael Brauser for good reason, or Michael Brauser’s death or disability. The Company determined that the Vesting Conditions were met, effective March 14, 2017, and as a result, 1,250,000 shares were vested, but Michael Brauser has elected to defer delivery of any vested RSUs until his separation from service from the Company or death or disability. Effective on June 23, 2017, the Michael Brauser Employment Agreement was terminated. Mr. Brauser continues to serve as Chairman of the Board of Directors of the Company. On September 6, 2017, the Company entered into a consulting services agreement with Mr. Brauser, effective on June 23, 2017, for a term of four years (the “Consulting Agreement”), under which Mr. Brauser will serve as a strategic advisor to cogint but will receive no salary for such services. In consideration for Mr. Brauser’s services, the Consulting Agreement provides for continued vesting on all outstanding RSUs granted to Mr. Brauser before the effective date of the Consulting Agreement.

On December 8, 2015, at the time Dr. Phillip Frost joined the Board of Directors of the Company as Vice Chairman, Frost Gamma was granted 3,000,000 RSUs, outside of the 2008 Plan and 2015 Plan. The issuance of shares of common stock underlying such RSUs was approved by the stockholders at the annual meeting in 2016. These grants were fully vested on December 8, 2015, but Frost Gamma has elected to defer delivery of any vested RSUs until Dr. Phillip Frost’s separation from service from the Company or death or disability.

Share options

Details of share options activity during the nine months ended September 30, 2017 were as follows:

	Number of options	Weighted average exercise price per share	Weighted average remaining contractual term	Aggregate intrinsic value
Outstanding as of December 31, 2016	352,000	\$ 10.25	4.4 years	\$ -
Outstanding as of September 30, 2017	352,000	\$ 10.25	3.6 years	\$ -
Options vested and expected to vest as of September 30, 2017	352,000	\$ 10.25	3.6 years	\$ -
Options exercisable as of September 30, 2017	294,500	\$ 8.36	2.7 years	\$ -

The aggregate intrinsic value amounts in the table above represent the difference between the closing price of the Company’s common stock on September 30, 2017 of \$4.90 and the exercise price, multiplied by the number of in-the-money stock options as of the same date.

The unvested balance of options is shown below for the nine months ended September 30, 2017:

	Number of options	Weighted average exercise price per share	Weighted average remaining contractual term
Unvested as of December 31, 2016	68,750	\$ 8.91	8.9 years
Vested	(11,250)	\$ 7.44	
Unvested as of September 30, 2017	57,500	\$ 9.19	8.2 years

Compensation expenses recognized from employee stock options for the three months ended September 30, 2017 and 2016 of \$31 and \$35, respectively, and \$91 and \$82 for the nine months ended September 30, 2017 and 2016, respectively, were recognized in general and administrative expenses in the condensed consolidated statements of operations. As of September 30, 2017, unrecognized share-based compensation cost relating to granted share options amounted to \$274, which are expected to be recognized over a weighted average period of 2.2 years.

Restricted stock units and restricted stock

Details of unvested RSUs and restricted stock activity during the nine months ended September 30, 2017 were as follows:

	Number of units	Weighted average grant-date fair value
Unvested as of December 31, 2016	12,407,029	\$ 8.40
Granted (1)	2,732,000	\$ 5.61
Vested and delivered	(2,357,852)	\$ 6.58
Withheld as treasury stock (2)	(192,288)	\$ 6.86
Vested not delivered (3)	(1,660,001)	\$ 3.36
Forfeited	(172,416)	\$ 5.80
Unvested as of September 30, 2017	<u>10,756,472</u>	<u>\$ 8.94</u>

- (1) 650,000 shares of restricted stock were granted during the nine months ended September 30, 2017, and 150,000 shares of restricted stock were unvested as of September 30, 2017.
- (2) As discussed in Note 7, the increase in treasury stock was due to shares withheld to pay statutory withholding taxes upon the vesting of RSUs during the nine months ended September 30, 2017.
- (3) Vested not delivered represent the vested RSUs with deferred delivery at a future time. As of September 30, 2017, the cumulative shares of RSUs included in "vested not delivered" above were 5,767,668.

The Company recognized share-based compensation (included in sales and marketing expenses, and general and administrative expenses in the condensed consolidated statements of operations, and intangible assets in the condensed consolidated balance sheets) for these RSUs and restricted stock of \$11,461 and \$7,615 for the three months ended September 30, 2017 and 2016, respectively, and \$28,613 and \$22,561 for the nine months ended September 30, 2017 and 2016, respectively. The fair value of the RSUs and restricted stock was estimated using the market value of the Company's common stock on the date of grant, which was equivalent to the closing price of the common stock on the grant date.

As of September 30, 2017, unrecognized share-based compensation expenses associated with the granted RSUs and restricted stock amounted to \$59,625, which are expected to be recognized over a weighted average period of 1.9 years.

Shares issued to third-party vendors

The Company issues shares to certain third-party vendors from time to time in lieu of cash for services rendered. Stock compensation expenses for shares issued to third-party vendors of \$0 and \$37 for the three months ended September 30, 2017 and 2016, respectively, and \$0 and \$166 for the nine months ended September 30, 2017 and 2016, respectively, were recognized in general and administrative expenses.

The share-based compensation expenses for the Company's share options, RSUs and common stock were allocated to the following accounts in the condensed consolidated financial statements for the three and nine months ended September 30, 2017 and 2016:

(In thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Sales and marketing expenses	\$ 862	\$ 657	\$ 2,428	\$ 1,778
General and administrative expenses	10,209	6,661	25,274	20,163
	11,071	7,318	27,702	21,941
Capitalized in intangible assets	421	369	1,002	868
Total	<u>\$ 11,492</u>	<u>\$ 7,687</u>	<u>\$ 28,704</u>	<u>\$ 22,809</u>

9. Segment information

The Company currently manages its operations in two reportable segments, Information Services and Performance Marketing. The segments reflect the way the Company evaluates its business performance and manages its operations.

Information regarding our Information Services and Performance Marketing segments is as follows:

(In thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Revenue:				
Information Services	\$ 22,808	\$ 14,803	\$ 57,863	\$ 39,254
Performance Marketing	34,440	37,373	103,175	93,389
	<u>\$ 57,248</u>	<u>\$ 52,176</u>	<u>\$ 161,038</u>	<u>\$ 132,643</u>
Loss (income) from operations:				
Information Services	\$ (7,227)	\$ (10,000)	\$ (20,780)	\$ (19,963)
Performance Marketing	1,120	1,819	49	6,065
	(6,107)	(8,181)	(20,731)	(13,898)
Corporate (1)	(5,562)	(4,176)	(19,400)	(14,487)
	<u>\$ (11,669)</u>	<u>\$ (12,357)</u>	<u>\$ (40,131)</u>	<u>\$ (28,385)</u>
Depreciation and amortization:				
Information Services	\$ 1,818	\$ 1,665	\$ 4,802	\$ 4,221
Performance Marketing	1,767	1,842	5,658	4,891
	<u>\$ 3,585</u>	<u>\$ 3,507</u>	<u>\$ 10,460</u>	<u>\$ 9,112</u>
Write-off of long-lived assets				
Information Services	\$ -	\$ 4,055	\$ 1,189	\$ 4,055
Performance Marketing	-	-	2,437	-
	<u>\$ -</u>	<u>\$ 4,055</u>	<u>\$ 3,626</u>	<u>\$ 4,055</u>
Share-based compensation expense:				
Information Services	\$ 4,786	\$ 2,923	\$ 11,481	\$ 8,884
Performance Marketing	1,190	858	3,454	2,345
	5,976	3,781	14,935	11,229
Corporate (1)	5,095	3,537	12,767	10,712
	<u>\$ 11,071</u>	<u>\$ 7,318</u>	<u>\$ 27,702</u>	<u>\$ 21,941</u>
Capital expenditure:				
Information Services	\$ 1,972	\$ 1,892	\$ 5,759	\$ 7,826
Performance Marketing	416	331	897	876
	<u>\$ 2,388</u>	<u>\$ 2,223</u>	<u>\$ 6,656</u>	<u>\$ 8,702</u>

(In thousands)	September 30, 2017		December 31, 2016	
Assets:				
Information Services	\$	90,419	\$	91,405
Performance Marketing		201,017		197,937
		291,436		289,342
Corporate (2)		20,484		22,569
	\$	311,920	\$	311,911
Intangible assets, net:				
Information Services	\$	52,706	\$	52,424
Performance Marketing		38,848		46,107
	\$	91,554	\$	98,531
Goodwill:				
Information Services	\$	44,178	\$	44,178
Performance Marketing		122,078		122,078
	\$	166,256	\$	166,256

- (1) Corporate primarily represents corporate administrative costs that are not allocated to individual segments. The segment information for the three and nine months ended September 30, 2016 was reclassified to conform to the current period presentation.
- (2) Assets of corporate primarily represents corporate's assets that are not allocated to individual segments. The segment information as of December 31, 2016 was reclassified to conform to the current period presentation.

A reconciliation of loss from operations from segments to loss before income taxes for the periods presented is as follows:

(In thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Loss from operations from segments	\$ (6,107)	\$ (8,181)	\$ (20,731)	\$ (13,898)
Corporate (1)	(5,562)	(4,176)	(19,400)	(14,487)
Total other expense (2)	(2,426)	(1,880)	(7,098)	(6,834)
Loss before income taxes	\$ (14,095)	\$ (14,237)	\$ (47,229)	\$ (35,219)

- (1) Corporate primarily represents corporate administrative costs that are not allocated to individual segments.
- (2) Other expense, primarily represents non-operating income and expense, including interest expense, net, and other expenses, net, which the Company does not allocate into segments.

Revenue by geography is based on the location of the customers. The following table sets forth revenue by geographic areas:

(In thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Revenue:				
United States	\$ 55,755	\$ 47,372	\$ 153,601	\$ 119,385
Outside of the United States (1)	1,493	4,804	7,437	13,258
	\$ 57,248	\$ 52,176	\$ 161,038	\$ 132,643

- (1) No individual country, other than disclosed above, exceeded 10% of total consolidated revenue for any period presented.

10. Related party transactions

For the three and nine months ended September 30, 2017 and 2016, material related party transactions were as follows:

Promissory Notes

On December 8, 2015, the Company entered into the Promissory Notes with certain investors, for an aggregate financing of \$10.0 million, pursuant to which the Company received \$5.0 million from Frost Gamma, \$4.0 million from Michael Brauser, and \$1.0 million from another investor. As of September 30, 2017, the principal, plus accrued PIK interest, of such Promissory Notes, owing to Frost Gamma, Michael Brauser and such other investor, were \$5,437, \$4,349, and \$1,087, respectively. During the nine months ended September 30, 2017, the Company repaid \$533, \$426, and \$107 to Frost Gamma, Michael Brauser and another investor, respectively. See Note 5, "Long-term debt, net," for details.

Conversion of Series B Preferred

On February 22, 2016, the Company's Series B Preferred, 450,962 shares in total, including 141,430 shares previously issued to Frost Gamma in relation to certain financial arrangements, and 156,544 and 105,704 shares previously issued to Ryan Schulke, Chief Executive Officer of Fluent, and Matthew Conlin, President of Fluent, respectively, in connection with the Fluent Acquisition, automatically converted into the Company's common stock, by multiplying each such share of Series B Preferred by 50.

Earn-out Shares

On March 11, 2016, the Company issued 900,108 common earn-out shares to Frost Gamma, and 1,800,220 Series A earn-out shares to certain investors (which were converted to 1,800,220 shares of common stock in March 2016), including 567,069 shares to Grandeur Holdings, Inc. 401K, an entity owned by Michael Brauser, upon a Board of Directors determination that certain financial targets had been achieved as set forth in the merger agreement of the TBO Merger effective on March 21, 2015.

Business Consulting Agreement

Marlin Capital holds RSUs representing the right to receive 2,000,000 shares of the Company's common stock. These RSUs vest annually beginning from October 13, 2015 only if certain performance goals of the Company are met. The shares underlying such RSUs will not be delivered until October 13, 2018, unless there is a change of control of the Company. Share-based compensation expenses of \$315 and \$315 for the three months ended September 30, 2017 and 2016, respectively, and \$937 and \$937 for the nine months ended September 30, 2017 and 2016, respectively, associated with shares under the Marlin Capital agreement, were recognized, respectively. See Note 8, "Share-based payments," for details.

Others

Effective on August 1, 2015, the Company entered into a consulting agreement with DAB Management Group Inc. ("DAB") for DAB to provide consulting services related to business development, future acquisitions and strategic transactions for a term of six months, and shall automatically renew for additional six-month periods, unless either party provides written notice to the other of its intent not to renew not fewer than 30 days prior to the expiration of the then current term (the "DAB Agreement"). DAB is owned by Daniel Brauser, a director of the Company at the time the DAB Agreement was entered into and the son of Michael Brauser, our Chairman. Under the DAB Agreement, the consulting service fee is \$20 per month. The Company recognized consulting service fee of \$60 each for the three months ended September 30, 2017 and 2016, and \$180 each for the nine months ended September 30, 2017 and 2016.

In October 2015, the Company entered into a Non-Exclusive Aircraft Dry Lease Agreement with Brauser Aviation, LLC, an affiliated entity of our Chairman, to pay a set hourly rate for Company-related usage of the aircraft. The Company recognized aircraft lease fee of \$0 and \$58 for the three months ended September 30, 2017 and 2016, respectively, and \$27 and \$168 for the nine months ended September 30, 2017 and 2016, respectively.

On September 6, 2017, the Company entered into the Consulting Agreement with Mike Brauser, effective on June 23, 2017, for a term of four years, under which, Mr. Brauser will serve as a strategic advisor to cogint but will receive no salary for such services. In consideration for Mr. Brauser's services, the Consulting Agreement provides for continued vesting on all outstanding RSUs granted to Mr. Brauser before the effective date of the Consulting Agreement. See Note 8, "Share-based payments," for details.

11. Commitments and contingencies

(a) Capital commitment

The Company incurred data costs of \$1,179 and \$874 for the three months ended September 30, 2017 and 2016, respectively, and \$3,400 and \$2,757 for the nine months ended September 30, 2017 and 2016, respectively, under certain non-cancellable data licensing agreements. As of September 30, 2017, material capital commitments under non-cancellable data licensing agreements were \$24,321, shown as follows:

(In thousands) Year	September 30, 2017
Remainder of 2017	\$ 1,074
2018	4,990
2019	5,930
2020	6,250
2021	4,775
2022 and thereafter	1,302
Total	\$ 24,321

(b) Contingency

On July 22, 2017, the Company entered in a settlement agreement with TransUnion and TransUnion Risk and Alternative Data Solutions, Inc. (“TRADS”), settling all litigation with TransUnion and TRADS. Company subsidiary, IDI Holdings, LLC (“IDI Holdings”), will pay \$7,000 to TRADS over the course of one year to settle all matters (the “TRADS Litigation Settlement”). The terms of the settlement agreement are confidential. The Company recorded the expense of \$7,000 in general and administrative expenses during the three months ended June 30, 2017. As of September 30, 2017, the remaining unpaid balance of \$5,000 was reflected in accrued expenses and other current liabilities in the condensed consolidated balance sheet. For a description of the legal proceedings settled in the TRADS Litigation Settlement, see Part I, Item 3 of the Company’s 2016 Form 10-K and Part II, Item 1 of the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2017.

Following the TRADS Litigation Settlement, the Company is not currently a party to any legal proceeding, investigation or claim which, in the opinion of the management, is likely to have a material adverse effect on the business, financial condition, results of operations or cash flows. Legal fees associated with such legal proceedings, are expensed as incurred. We review legal proceedings and claims on an ongoing basis and follow appropriate accounting guidance, including ASC 450, when making accrual and disclosure decisions. We establish accruals for those contingencies where the incurrence of a loss is probable and can be reasonably estimated, and we disclose the amount accrued and the amount of a reasonably possible loss in excess of the amount accrued, if such disclosure is necessary for our financial statements to not be misleading. To estimate whether a loss contingency should be accrued by a charge to income, we evaluate, among other factors, the degree of probability of an unfavorable outcome and the ability to make a reasonable estimate of the amount of the loss. We do not record liabilities when the likelihood that the liability has been incurred is probable, but the amount cannot be reasonably estimated.

In addition, we may be involved in litigation from time to time in the ordinary course of business. We do not believe that the ultimate resolution of any such matters will have a material adverse effect on our business, financial condition, results of operations or cash flows. However, the results of such matters cannot be predicted with certainty and we cannot assure you that the ultimate resolution of any legal or administrative proceeding or dispute will not have a material adverse effect on our business, financial condition, results of operations and cash flows.

12. Business Combination Agreement

On September 6, 2017, the Company entered into a Business Combination Agreement (the “Business Combination Agreement”) with BlueFocus International Limited (“BlueFocus”), a private company limited by shares registered in Hong Kong. Under the terms of the Business Combination Agreement, the Company will issue to BlueFocus shares of the Company’s common stock, representing 63% of the Company’s common stock on a fully diluted, post-transaction basis (the “Purchased Shares”). In consideration of the Purchased Shares, BlueFocus will contribute to the Company (i) all of the issued and outstanding membership interests, shares of capital stock, and/or other equity interests of certain entities (the “Contributed Entities”), (ii) \$100.0 million in cash (the “Cash Consideration”) and if applicable, certain net working capital adjustments, and (iii) repay, assume, or refinance indebtedness for borrowed money of the Company as of the Closing (as defined below). We refer to the issuance of the Purchased Shares in consideration of the contribution of the Contributed Entities and the Cash Consideration, together with the Cash Dividend hereinafter described, as the “Business Combination Transaction.”

As a condition to closing the Business Combination Transaction (the “Closing”), immediately before Closing, cogint will contribute its data and analytics operations and assets (the “IDI Business”) into its wholly-owned subsidiary, Red Violet, Inc. (“Red Violet”). The shares of Red Violet will be distributed as a stock dividend (the “Spin-Off”) to cogint stockholders of record as of the record date (the “Record Date”) and to holders of derivative securities who are entitled to participate in such a dividend in accordance with the terms of their securities. Before the Company effects the Spin-Off, Red Violet will file with the SEC a Registration Statement on Form 10 (the “Form 10”), registering under the Securities Exchange Act of 1934, the shares of Red Violet to be distributed in the Spin-Off. As a result, upon completion of the Spin-Off, cogint stockholders will hold shares of two public companies, cogint and Red Violet. We expect cogint common stock to continue trading on the NASDAQ Stock Market (the “NASDAQ”) and we intend to apply for listing the Red Violet shares on NASDAQ.

The Cash Consideration, after deductions for certain transaction expenses and an amount up to \$20.0 million to capitalize Red Violet at the time of the Spin-Off, will be distributed pro rata as a cash dividend or payment (the “Cash Dividend”) to the holders of cogint common stock and the holders of certain warrants of the Company. The Cash Dividend is contingent on Closing.

Before the Record Date, cogint expects to accelerate the vesting of all outstanding RSUs and deliver all shares of common stock underlying such RSUs so that such shares will participate in the Spin-Off and Cash Dividend pro rata. Also, before the Record Date, cogint expects to vest all outstanding stock options, and any options not exercised before the Record Date will terminate on the Record Date, except for options issued under the 2015 Plan, which will terminate immediately before the Closing. Options outstanding but unexercised on the Record Date will not be equitably adjusted in respect of the Spin-off, the Cash Dividend, or otherwise. Shares issued pursuant to any option exercised before the Record Date will participate in the Spin-off and Cash Dividend pro rata. In addition, before the Record Date, cogint expects to vest all outstanding shares of restricted stock, so that such shares will participate in the Spin-off and Cash Dividend pro rata, and holders of warrants to purchase cogint common stock will participate in the Spin-off and Cash Dividend pro rata, in accordance with the terms of their warrants.

There are certain conditions to the Closing and the other transactions contemplated by the Business Combination Agreement, which include the receipt of the required Company stockholders’ approval, the consent under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the “HSR Act”) and the Committee on Foreign Investment in the United States (“CFIUS”) approval, the effectiveness of the Form 10 and consummation of the Spin-Off, the approval by NASDAQ of the listing of the Purchased Shares, and others.

13. Subsequent events

Intracoastal and Anson Warrant Amendments

On October 17, 2017, the Company entered into certain amendment agreements (collectively, the “Intracoastal and Anson Warrant Amendments”) with warrant holders, representing a total of 861,769 warrants to purchase the Company’s common stock, previously granted to Intracoastal Capital, LLC (“Intracoastal”) and Anson Investments Master Fund LP (“Anson”). Pursuant to the Warrant Amendments, the Company agreed to reduce the exercise price of all common stock warrants described above to \$3.00 per share, and Intracoastal and Anson separately agreed to exercise all common stock warrants held by them. The proceeds from the exercise were approximately \$2.6 million, which were received in October 2017.

The Intracoastal and Anson Warrant Amendments also provide that the Company deliver to each of Anson and Intracoastal an additional warrant for common stock equal to 25% of the number of shares exercised, at an exercise price of \$5.35 per share (collectively, the “Additional Warrants”). The Additional Warrants provided to Intracoastal and Anson are exercisable into 184,193 shares and 31,250 shares of common stock, respectively. The Additional Warrants are exercisable from the date of issuance and expire on the earlier of the close of business on the two-year anniversary of (i) the date the registration statement registering the resale of the underlying shares is declared effective by the SEC, or (ii) the commencement date that such Additional Warrant may be exercised by means of a “cashless exercise.” These Additional Warrants do not participate in the Cash Dividend or Spin-Off of the Business Combination Transaction.

Whitehorse Warrant Amendments

On November 3, 2017, the Company entered into warrant amendments (the "Whitehorse Warrant Amendments") with H.I.G. Whitehorse SMA ABF, L.P., H.I.G. Whitehorse SMA Holdings I, LLC and Whitehorse Finance, Inc., regarding an aggregate of 300,000 Whitehorse Warrants to purchase the Company's common stock (the "Whitehorse Shares"), at an original exercise price of \$5.0829 per share. Pursuant to the Whitehorse Warrant Amendments, the Company agreed to reduce the exercise price of all common stock warrants described above to \$3.00 per share, and each warrant holder set forth above separately agreed to exercise all common stock warrants held by them within 30 days. Pursuant to the terms of the Whitehorse Warrant Amendments, the warrant holders are prohibited from engaging or otherwise agreeing to any sale, pledge, or other transfer of the Whitehorse Shares for a period of 120 days (the "Whitehorse Lock-Up Period") following the exercise of such warrants in full. Following the Whitehorse Lock-Up Period, (i) the warrant holders may only sell such number of shares underlying the warrants representing up to 5% of the Company's daily trading volume on the immediately prior trading day prior to a sale and (ii) the warrant holders may not transfer any of the Whitehorse Shares for less than \$4.50 per share, provided that the warrant holders may not transfer any Whitehorse Shares unless the Company has an effective registration statement permitting the resale of the Whitehorse Shares. Provided that such warrant holders have exercised the Whitehorse Warrants, upon either the Record Date or the termination of the Business Combination Agreement, such warrant holders can require the Company to purchase from them all the Whitehorse Shares at a price of \$4.50 per share.

Acquisition consideration payable in stock

In relation to the Q Interactive Acquisition, Selling Source, LLC ("Selling Source"), the seller, was entitled to receive additional consideration as it was concluded that the earn-out target (the "Q Interactive Earn-out Target") specified in the purchase agreement had been met. As of September 30, 2017 and December 31, 2016, after certain measurement period adjustments, the net balance of acquisition consideration payable in stock of \$10,225 was recognized. We used the probability-weighted method to determine the fair value of the acquisition consideration payable in stock, and this fair value assessment represents Level 3 measurements. It is classified as a non-current liability in the condensed consolidated balance sheets because this liability will be settled with the Company's common stock. On November 3, 2017, the Company issued a total of 2,750,000 shares of common stock to settle the acquisition consideration payable in stock.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Executive Overview

You should read the following discussion in conjunction with our condensed consolidated financial statements and related notes included in this Quarterly Report on Form 10-Q. This Quarterly Report on Form 10-Q contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 ("PSLRA"), Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended, (the "Exchange Act"), about our expectations, beliefs, or intentions regarding our business, financial condition, results of operations, strategies, the outcome of litigation, or prospects. You can identify forward-looking statements by the fact that these statements do not relate strictly to historical or current matters. Rather, forward-looking statements relate to anticipated or expected events, activities, trends, or results as of the date they are made. Because forward-looking statements relate to matters that have not yet occurred, these statements are inherently subject to risks and uncertainties that could cause our actual results to differ materially from any future results expressed or implied by the forward-looking statements. Many factors could cause our actual activities or results to differ materially from the activities and results anticipated in forward-looking statements. These factors include those contained in this Quarterly Report on Form 10-Q, as well as the disclosures made in the Company's Annual Report on Form 10-K for the year ended December 31, 2016 filed on March 14, 2017 ("2016 Form 10-K"), and other filings we make with the Securities and Exchange Commission (the "SEC"). We do not undertake any obligation to update forward-looking statements, except as required by law. We intend that all forward-looking statements be subject to the safe harbor provisions of PSLRA. These forward-looking statements are only predictions and reflect our views as of the date they are made with respect to future events and financial performance.

Overview

Cogint, Inc. ("we," "us," "our," "cogint," or the "Company"), a Delaware corporation, is a data and analytics company providing cloud-based mission-critical information and performance marketing solutions to enterprises in a variety of industries. cogint's mission is to transform data into intelligence utilizing our proprietary technology platforms to solve complex problems for our clients. Harnessing the power of data fusion and powerful analytics, we transform data into intelligence, in a fast and efficient manner, so that our clients can spend their time on what matters most, running their organizations with confidence. Through our intelligent platforms, CORE™ and Agile Audience Engine™, we uncover the relevance of disparate data points to deliver end-to-end, ROI-driven results for our customers. Our analytical capabilities enable us to build comprehensive datasets in real-time and provide insightful views of people, businesses, assets and their interrelationships. We empower clients across markets and industries to better execute all aspects of their business, from managing risk, identifying fraud and abuse, ensuring legislative compliance, and debt recovery, to identifying and acquiring new customers. With the goal of reducing the cost of doing business and enhancing the consumer experience, our solutions enable our clients to optimize overall decision-making and to have a holistic view of their customers.

We provide unique and compelling solutions essential to the daily workflow of organizations within both the public and private sectors. Our cloud-based data fusion and customer acquisition technology platforms, combined with our massive database consisting of public-record, proprietary and publicly-available data, as well as a unique repository of self-reported information on millions of consumers, enables the delivery of differentiated products and solutions used for a variety of essential functions throughout the customer life cycle. These essential functions include customer identification and authentication, investigation and validation, and customer acquisition and retention.

The Company operates through two reportable segments: (i) Information Services and (ii) Performance Marketing.

Information Services—Leveraging leading-edge technology, proprietary algorithms, and massive datasets, and through intuitive and powerful analytical applications, we provide solutions to organizations within the risk management and consumer marketing industries. CORE is our next generation data fusion platform, providing mission-critical information about individuals, businesses and assets to a variety of markets and industries. Through machine learning and advanced analytics, our Information Services segment uses the power of data fusion to ingest and analyze data at a massive scale. The derived information from the data fusion process ultimately serves to generate unique solutions for banking and financial services companies, insurance companies, healthcare companies, law enforcement and government, the collection industry, law firms, retail, telecommunications companies, corporate security and investigative firms. In addition, our data acquisition solutions enable clients to rapidly grow their customer databases by using self-declared consumer insights to identify, connect with, and acquire first-party consumer data and multi-channel marketing consent at massive scale.

Built in a secure Payment Card Industry (PCI) compliant environment, our cloud-based next generation technology delivers greater than four 9s of service uptime. By leveraging our proprietary infrastructure design within the cloud, we currently operate in six datacenters spread geographically across the U.S. and are able to dynamically and seamlessly scale as needed. Using our intelligent framework and leveraging a micro services architecture where appropriate, we reduce operational cost and complexity, thus delivering superior performance at greatly reduced costs compared to traditional datacenter architectures. Since the release of our CORE platform in May 2016, we have added billions of data records and continue to add approximately over a billion records per month on average. Our average query response time for a comprehensive profile is less than 250 milliseconds versus competitive platforms that measure comprehensive profile response times in seconds.

Performance Marketing—Our Agile Audience Engine drives our Performance Marketing segment, which provides solutions to help brands, advertisers and marketers find the right customers in every major business-to-consumer (B2C) vertical, including internet and telecommunications, financial services, health and wellness, consumer packaged goods, career and education, and retail and entertainment. We deterministically target consumers across various marketing channels and devices, through the user-supplied acquisition of personally identifiable information on behalf of our clients, such as email addresses, other identifying information and responses to dynamically-populated survey questions. Additionally, 80% of our consumer interaction comes from mobile, a highly-differentiated characteristic compared to our competitors whose platforms are not mobile-first.

We own hundreds of media properties, through which we engage millions of consumers everyday with interactive content, such as job postings, cost savings, surveys, promotions and sweepstakes that generate on average over 850,000 consumer registrations and over 8.8 million compiled survey responses daily, with a recent record high of over 1.0 million registrations and over 10.3 million compiled survey responses in a single day. Our owned media properties alone have created a database of approximately 130 million U.S. adults with detailed profiles, including 224 million unique email addresses, across over 75 million households. With meaningful, people-based interaction that focuses on consumer behavior and declared first-party data, leveraged on a mobile-centric platform that provides seamless omni-channel capabilities, we have the ability to target and develop comprehensive consumer profiles that redefine the way advertisers view their most valuable customers.

In order for the Company to continue to develop new products, grow its existing business and expand into additional markets, we must generate and sustain sufficient operating profits and cash flow in future periods. This will require us to generate additional sales from current products and new products currently under development. We continue to build out our sales organization to drive current products and to introduce new products into the market place. We will incur increased compensation expenses for our sales and marketing, executive and administrative, and infrastructure related persons as we increase headcount in the next 12 months.

Business Combination Agreement

On September 6, 2017, the Company entered into a Business Combination Agreement (the “Business Combination Agreement”) with BlueFocus International Limited (“BlueFocus”), a private company limited by shares registered in Hong Kong. Under the terms of the Business Combination Agreement, the Company will issue to BlueFocus shares of the Company’s common stock, representing 63% of the Company’s common stock on a fully diluted, post-transaction basis (the “Purchased Shares”). In consideration of the Purchased Shares, BlueFocus will contribute to the Company (i) all of the issued and outstanding membership interests, shares of capital stock, and/or other equity interests of certain entities (the “Contributed Entities”), (ii) \$100.0 million in cash (the “Cash Consideration”) and if applicable, certain net working capital adjustments, and (iii) repay, assume, or refinance indebtedness for borrowed money of the Company as of the Closing (as defined below). We refer to the issuance of the Purchased Shares in consideration of the contribution of the Contributed Entities and the Cash Consideration, together with the Cash Dividend hereinafter described, as the “Business Combination Transaction.”

As a condition to closing the Business Combination Transaction (the “Closing”), immediately before Closing, cogint will contribute its data and analytics operations and assets (the “IDI Business”) into its wholly-owned subsidiary, Red Violet, Inc. (“Red Violet”). The shares of Red Violet will be distributed as a stock dividend (the “Spin-Off”) to cogint stockholders of record as of the record date (the “Record Date”) and to holders of derivative securities who are entitled to participate in such a dividend in accordance with the terms of their securities. Before the Company effects the Spin-Off, Red Violet will file with the SEC a Registration Statement on Form 10 (the “Form 10”), registering under the Exchange Act, the shares of Red Violet to be distributed in the Spin-Off. As a result, upon completion of the Spin-Off, cogint stockholders will hold shares of two public companies, cogint and Red Violet. We expect cogint common stock to continue trading on the NASDAQ Stock Market (the “NASDAQ”) and we intend to apply for listing the Red Violet shares on NASDAQ.

The Cash Consideration, after deductions for certain transaction expenses and an amount up to \$20.0 million to capitalize Red Violet at the time of the Spin-Off, will be distributed pro rata as a cash dividend or payment (the “Cash Dividend”) to the holders of company common stock and the holders of certain warrants of the Company. The Cash Dividend is contingent on Closing.

Before the Record Date, cogint expects to accelerate the vesting of all outstanding RSUs and deliver all shares of common stock underlying such RSUs so that such shares will participate in the Spin-Off and Cash Dividend pro rata. Also, before the Record Date, cogint expects to vest all outstanding stock options, and any options not exercised before the Record Date will terminate on the Record Date, except for options issued under the 2015 Plan, which will terminate immediately before the Closing. Options outstanding but unexercised on the Record Date will not be equitably adjusted in respect of the Spin-off, the Cash Dividend, or otherwise. Shares issued pursuant to any option exercised before the Record Date will participate in the Spin-off and Cash Dividend pro rata. In addition, before the Record Date, cogint expects to vest all outstanding shares of restricted stock, so that such shares will participate in the Spin-off and Cash Dividend pro rata, and holders of warrants to purchase cogint common stock will participate in the Spin-off and Cash Dividend pro rata, in accordance with the terms of their warrants.

There are certain conditions to the Closing and the other transactions contemplated by the Business Combination Agreement, which include the receipt of the required Company stockholders' approval, the consent under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the "HSR Act") and the Committee on Foreign Investment in the United States ("CFIUS") approval, the effectiveness of the Form 10 and consummation of the Spin-Off, the approval by NASDAQ of the listing of the Purchased Shares, and others.

Critical Accounting Policies and Estimates

Management's discussion and analysis of financial condition and results of operations are based upon cogint's condensed consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States ("US GAAP"). The preparation of these financial statements requires cogint to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, cogint evaluates its estimates, including those related to bad debts, income taxes, and contingencies. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

For additional information, please refer to our 2016 Form 10-K, filed with the SEC on March 14, 2017. There have been no material changes to Critical Accounting Policies and Estimates disclosed in the 2016 Form 10-K.

Recently issued accounting standards

See Note 1(b), "*Recently issued accounting standards*," in the Notes to Condensed Consolidated Financial Statements.

Third Quarter Financial Highlights

For the three months ended September 30, 2017, as compared to the three months ended September 30, 2016:

- Total revenue increased 10% to \$57.2 million.
- Information Service revenue increased 54% to \$22.8 million.
- Information Services gross profit increased 182% to \$10.1 million, a 44% gross profit margin.
- Performance Marketing revenue decreased 8% to \$34.4 million.
- Performance Marketing gross profit increased 6% to \$9.5 million, a 28% gross profit margin.
- Gross profit margin increased 10 percentage points to 34%.
- Net loss was \$14.1 million (inclusive of tax benefit of \$0) compared to \$9.7 million (inclusive of tax benefit of \$4.5 million).
- Adjusted EBITDA grew 84% to \$5.8 million.

Third Quarter 2017 and Recent Business Highlights

- Entered into a business combination agreement with BlueFocus International, creating a world-class global marketing services company, with BlueFocus paying or refinancing cogint's existing debt upon closing and contributing to cogint \$100.0 million in cash, Canadian-based marketing communications company Vision7 International, and U.K.-based global socially-led creative agency We Are Social.
- Leveraged the cross-functionality of our intelligent platforms, CORE™ and Agile Audience Engine™, to create a comprehensive marketing services solution for Fortune 500 consumer packaged goods companies, increasing client ROI while expanding our margin.

- Continued scale of our Custom Audience Identity Graph, enabling more intelligent execution of our marketing solutions across a variety of verticals.
- Generated on average over 850,000 consumer registrations and over 8.8 million compiled survey responses daily, with a recent record high of over 1.0 million registrations and over 10.3 million compiled survey responses in a single day.
- After successful launch of Mobile App Install product offering and Pay Per Call ad format in 2016, revenue for these offerings continues to scale with \$5.5 million and \$1.9 million, respectively, for the third quarter 2017.
- Powered by our proprietary CORE™ data fusion platform, launched FOREWARN™, a real-time information solution, via mobile application, for the real estate industry, providing risk assessment and due diligence.
- Released the Comprehensive Report, an idiCORE™ offering, to the risk management industry, addressing our clients' needs in delivering the most essential tool in their risk mitigation arsenal.

Use and Reconciliation of Non-GAAP Financial Measures

Management evaluates the financial performance of our business on a variety of key indicators, including adjusted EBITDA. Adjusted EBITDA is a non-GAAP financial measure equal to net loss, the most directly comparable financial measure based on US GAAP, adding back interest expense, income tax benefit, depreciation and amortization, share-based compensation expense, non-recurring legal and litigation costs, acquisition and restructuring costs, write-off of long-lived assets, and other adjustments, as noted in the tables below.

(In thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Net loss	\$ (14,095)	\$ (9,744)	\$ (47,229)	\$ (23,700)
Interest expense, net	2,426	1,880	7,098	5,561
Income tax benefit	-	(4,493)	-	(11,519)
Depreciation and amortization	3,585	3,507	10,460	9,112
Share-based compensation expense	11,071	7,318	27,702	21,941
Non-recurring legal and litigation costs	340	633	9,170	1,493
Acquisition and restructuring costs	2,474	-	4,792	431
Write-off of long-lived assets	-	4,055	3,626	4,055
Non-cash loss on exchange of warrants	-	-	-	1,273
Adjusted EBITDA	<u>\$ 5,801</u>	<u>\$ 3,156</u>	<u>\$ 15,619</u>	<u>\$ 8,647</u>

We present adjusted EBITDA as a supplemental measure of our operating performance because we believe it provides useful information to our investors as it eliminates the impact of certain items that we do not consider indicative of our cash operations and ongoing operating performance. In addition, we use it as an integral part of our internal reporting to measure the performance of our reportable segments, evaluate the performance of our senior management and measure the operating strength of our business.

Adjusted EBITDA is a measure frequently used by securities analysts, investors and other interested parties in their evaluation of the operating performance of companies similar to ours and is an indicator of the operational strength of our business. Adjusted EBITDA eliminates the uneven effect across all reportable segments of considerable amounts of non-cash depreciation and amortization, share-based payments and write-off of long-lived assets.

Adjusted EBITDA is not intended to be a performance measure that should be regarded as an alternative to, or more meaningful than, either operating income or net income as indicators of operating performance or to cash flows from operating activities as a measure of liquidity. The way we measure adjusted EBITDA may not be comparable to similarly titled measures presented by other companies, and may not be identical to corresponding measures used in our various agreements.

Results of Operations

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

Revenue. Total revenue increased \$5.1 million or 10% to \$57.2 million, and \$28.4 million or 21% to \$161.0 million for the three and nine months ended September 30, 2017, respectively, from \$52.2 million and \$132.6 million for the three and nine months ended September 30, 2016, respectively. This increase was driven by strong growth in our Information Services segment. Revenue generated from our Information Services segment was \$22.8 million and \$57.8 million for the three and nine months ended September 30, 2017, respectively, versus \$14.8 million and \$39.3 million for the three and nine months ended September 30, 2016, respectively. Revenue generated from our Performance Marketing segment was \$34.4 million and \$103.2 million for the three and nine months ended September 30, 2017, versus \$37.4 million and \$93.4 million for the three and nine months ended September 30, 2016, respectively.

Gross profit. Gross profit margin was 34% and 32% for the three and nine months ended September 30, 2017, respectively, as compared to 24% and 26% for the three and nine months ended September 30, 2016, respectively. The increase in gross profit margin was mainly attributed to scaling of our Information Services segment, producing higher gross margin relative to the consolidated business.

Historically, the relative mix of revenue derived from our Information Services and Performance Marketing segments produces a consolidated average gross margin between 26% and 32%. At scale, the Information Services segment will trend with average gross margins between 70% and 85%. As a result of our continued focus on scaling the Information Services segment, our consolidated average gross margin has increased to between 30% and 34%. We continue to expect our consolidated gross margin to increase over the next twelve months as our Information Services revenue continues to scale.

As a result of the increase in revenue and gross profit margin, gross profit increased \$7.1 million or 56% to \$19.6 million for the three months ended September 30, 2017, from \$12.5 million for the three months ended September 30, 2016; while gross profit increased \$16.6 million or 48% to \$51.5 million for the nine months ended September 30, 2017, from \$34.9 million for the nine months ended September 30, 2016.

Sales and marketing expenses. Sales and marketing expenses increased \$2.6 million or 70% to \$6.3 million, and \$6.6 million or 66% to \$16.6 million for the three and nine months ended September 30, 2017, respectively, from \$3.7 million and \$10.0 million for the three and nine months ended September 30, 2016, respectively. The increase was mainly the result of increased headcount as we continue to invest in the expansion of our sales organization, increased fulfillment costs, and increased bad debt expenses. Sales and marketing expenses consist of advertising and marketing, salaries and benefits, traveling expenses incurred by our sales team, share-based compensation expenses, provision for bad debts, and fulfillment costs. Included in sales and marketing expenses was non-cash share-based compensation expenses of \$0.9 million and \$2.4 million for the three and nine months ended September 30, 2017, respectively, as compared to \$0.6 and \$1.8 million for the three and nine months ended September 30, 2016, respectively.

General and administrative expenses. General and administrative expenses increased \$7.8 million or 57% to \$21.4 million, and \$20.8 million or 52% to \$60.9 million for the three and nine months ended September 30, 2017, respectively, from \$13.6 million and \$40.1 million for the three and nine months ended September 30, 2016, respectively. The increase was mainly the result of increased non-cash share-based payments, employee salaries and benefits, non-recurring legal and litigation costs, and acquisition and restructuring costs. For the three months ended September 30, 2017 and 2016, the amounts consisted mainly of non-cash share-based payments of \$10.2 million and \$6.7 million, non-recurring legal and litigation costs of \$0.3 million and \$0.6 million, acquisition and restructuring costs of \$2.4 million and \$0 million, other professional fees of \$0.8 million and \$1.0 million, and employee salaries and benefits of \$4.2 million and \$3.2 million, respectively. For the nine months ended September 30, 2017 and 2016, the amounts consisted mainly of non-cash share-based payments of \$25.3 million and \$20.2 million, non-recurring legal and litigation costs of \$9.2 million, including \$7.0 million in connection with the TRADS Litigation Settlement, and \$1.4 million, acquisition and restructuring costs of \$4.8 million and \$0.4 million, other professional fees of \$2.2 million and \$3.8 million, and employee salaries and benefits of \$11.7 million and \$8.4 million, respectively. The Company expects a significant reduction in litigation costs going forward.

Depreciation and amortization. Depreciation and amortization expenses increased \$0.1 million or 2% to \$3.6 million, and \$1.3 million or 15% to \$10.5 million for the three and nine months ended September 30, 2017, respectively, from \$3.5 million and \$9.1 million for the three and nine months ended September 30, 2016, respectively. For the nine months ended September 30, 2017, the increase in depreciation and amortization was mainly due to the amortization of intangible assets resulting from the Q Interactive Acquisition effective on June 8, 2016 and the launch of software developed for internal use in the second quarter of 2016.

Write-off of long-lived assets. During the nine months ended September 30, 2017, as a result of the Q Interactive Integration, we wrote off \$3.6 million, primarily relating to the remaining balance of the acquired proprietary technology and trade names, acquired in the Q Interactive Acquisition. We included it in the operating expenses as a write-off of long-lived assets. During the nine months ended September 30, 2016, the write-off of intangible assets of \$4.1 million represented the write-off of the remaining balance of the intellectual property pursuant to the Intellectual Property Purchase Agreement dated October 14, 2014 (“Purchased IP”) and capitalized litigation costs as a result of an unfavorable ruling in relation to the Purchased IP litigation.

Interest expense, net. Interest expense, net, represented the interest expense and amortization of debt issuance costs associated with (i) the term loan in the amount of \$45.0 million (“Term Loan”) pursuant to a credit agreement entered in December 2015 (“Credit Agreement”), (ii) promissory notes payable to certain stockholders in the amount of \$10 million (“Promissory Notes”) pursuant to agreements with certain stockholders in December 2015, and (iii) the incremental term loan in the amount of \$15.0 million (“Incremental Term Loan”, together with Term Loan, collectively, “Term Loans”), pursuant to the amendment No. 3 to the Credit Agreement effective in January 2017 (the “Amendment No. 3”). Interest expense, net, increased \$0.5 million or 29% to \$2.4 million, and \$1.5 million or 28% to \$7.1 million for the three and nine months ended September 30, 2017, respectively, from \$1.9 million and \$5.6 million for the three and nine months ended September 30, 2016, respectively. The increase was mainly attributable to the addition of the Incremental Term Loan. The long-term debt balance, including the current portion of long-term debt and net of unamortized debt issuance costs, was \$62.8 million as of September 30, 2017.

Loss before income taxes. For the three months ended September 30, 2017 and 2016, we had a loss before income taxes of \$14.1 million and \$14.2 million, including non-cash share-based payments of \$11.1 million and \$7.3 million, depreciation and amortization of \$3.6 million and \$3.5 million, non-recurring legal and litigation costs of \$0.3 million and \$0.6 million, acquisition and restructuring costs of \$2.5 million and \$0, and one-time write-off of long-lived assets of \$0 and \$4.1 million, respectively. For the nine months ended September 30, 2017 and 2016, we had a loss before income taxes of \$47.2 million and \$35.2 million, including non-cash share-based payments of \$27.7 million and \$21.9 million, depreciation and amortization of \$10.5 million and \$9.1 million, non-recurring legal and litigation costs of \$9.2 million and \$1.5 million, acquisition and restructuring costs of \$4.8 million and \$0.4 million, one-time write-off of long-lived assets of \$3.6 million and \$4.1 million, and non-cash loss on exchange of warrants of \$0 and \$1.3 million, respectively.

Income taxes. Income tax benefit of \$0 was recognized for the three and nine months ended September 30, 2017, as compared to \$4.5 million and \$11.5 million for the three and nine months ended September 30, 2016, respectively. A full valuation allowance on the net deferred tax assets was recognized for the three and nine months ended September 30, 2017. See Note 6, “Income Taxes,” for details.

Net loss. A net loss of \$14.1 million and \$47.2 million was recognized for the three and nine months ended September 30, 2017, respectively, as compared to \$9.7 million and \$23.7 million for the three and nine months ended September 30, 2016, respectively, as a result of the foregoing.

Effect of Inflation

The rates of inflation experienced in recent years have had no material impact on our financial statements. We attempt to recover increased costs by increasing prices for our services, to the extent permitted by contracts and competition.

Liquidity and Capital Resources

Cash flows (used in) provided by operating activities. For the nine months ended September 30, 2017, net cash used in operating activities was \$2.9 million, which was mainly the result of the operating loss of \$0.8 million, after the adjustments of non-cash items of \$46.4 million. For the nine months ended September 30, 2016, net cash provided by operating activities was \$4.4 million, which was mainly the result of the operating income \$3.6 million, after the adjustments of non-cash items of \$27.3 million.

Cash flows used in investing activities. Net cash used in investing activities for the nine months ended September 30, 2017 and 2016 was \$6.7 million and \$9.5 million, respectively, which was mainly due to capitalized costs included in intangible assets of \$5.5 million and \$8.0 million, for the corresponding periods, respectively.

Cash flows provided by financing activities. Net cash provided by financing activities for the nine months ended September 30, 2017 was \$9.8 million, which was mainly the result of net proceeds from the Incremental Term Loan of \$14.0 million in February 2017, partially offset by repayments of long-term debt of \$3.5 million. Net cash provided by financing activities for the nine months ended September 30, 2016 was \$2.0 million, which was mainly due to the net proceeds from the registered direct offering of \$4.7 million in May 2016, partially offset by the repayments of long-term debt of \$1.7 million.

As of September 30, 2017, the Company had material commitments under non-cancellable data licensing agreements of \$24.3 million. For the nine months ended September 30, 2017, the Company funded its operations using available cash and proceeds from the Incremental Term Loan.

The Company reported net loss of \$14.1 million and \$47.2 million for the three and nine months ended September 30, 2017, respectively, as compared to \$9.7 million and \$23.7 million for the three and nine months ended September 30, 2016, respectively. As of September 30, 2017, the Company had an accumulated deficit of \$161.5 million.

As of September 30, 2017, the Company had cash and cash equivalents of approximately \$10.3 million, of which, \$9.4 million was held by Fluent, an increase of \$0.2 million from \$10.1 million as of December 31, 2016. A portion of this cash held by Fluent may be used by Fluent only for general operating purposes. Based on projections of growth in revenue and operating results in the coming year, the proceeds of \$2.6 million from the exercise of certain warrants in October 2017, and other potential financings, the Company believes that it will have sufficient cash resources to finance its operations and expected capital expenditures for the next twelve months. Subject to revenue growth, the Company may have to continue to raise capital through the issuance of additional equity and/or debt, which, if the Company is able to obtain, could have the effect of diluting stockholders. Any equity or debt financings, if available at all, may be on terms which are not favorable to the Company. If the Company's operations do not generate positive cash flow in the upcoming year, or if it is not able to meet the debt covenants specified in the Credit Agreement, as amended, or if it is not able to obtain additional equity or debt financing on terms and conditions acceptable to it, if at all, it may be unable to implement its business plan, or even continue its operations.

The Company may explore the possible acquisition of businesses, products and/or technologies that are complementary to its existing business. The Company is continuing to identify and prioritize additional technologies, which it may wish to develop internally or through licensing or acquisition from third parties. While the Company may engage from time to time in discussions with respect to potential acquisitions, there can be no assurances that any such acquisitions will be made or that the Company will be able to successfully integrate any acquired business. In order to finance such acquisitions and working capital, it may be necessary for us to raise additional funds through public or private financings. Any equity or debt financings, if available at all, may be on terms which are not favorable to us and, in the case of equity financings, may result in dilution to stockholders.

As of September 30, 2017, we had financed approximately \$70.0 million, for the cash portion of the purchase price of the Fluent Acquisition and other general operating purposes, with the proceeds from the Term Loans and Promissory Notes described herein. The Term Loans have an outstanding principal balance, plus paid-in-kind ("PIK") interest, of \$56.2 million, and the Promissory Notes have an outstanding principal balance, plus PIK interest, of \$10.9 million. All obligations under the Term Loans mature on December 8, 2020 and our Promissory Notes are due six months after payment in full of our Term Loans. The Credit Agreement governing the Term Loans contains restrictive covenants which impose limitations on the way we conduct our business, including limitations on the amount of additional debt we are able to incur and restricts our ability to make certain investments and other restricted payments, including certain intercompany payments of cash and other property. The restrictive covenants in the Credit Agreement, as amended, may limit our strategic and financing options and our ability to return capital to our stockholders through dividends or stock buybacks. Furthermore, we still may need to incur additional debt to meet future financing needs.

The Term Loans are guaranteed by the Company and the other direct and indirect subsidiaries of the Company, and are secured by substantially all of the assets of the Company and its direct and indirect subsidiaries, including Fluent, in each case, on an equal and ratable basis. The Term Loans accrue interest at the rate of: (a) either, at Fluent's option, LIBOR (subject to a floor of 0.50%) plus 10.5% per annum, or base rate plus 9.5% per annum, payable in cash, plus (b) 1% per annum, payable, at Fluent's option, in either cash or in-kind. Principal amortization of the Term Loans is \$0.7 million per quarter, payable at the end of each calendar quarter, which commenced on March 31, 2017. The Term Loans mature on December 8, 2020.

The Credit Agreement, as amended, requires us to maintain and comply with certain financial and other covenants. We cannot assure you that we will be able to maintain compliance with such financial or other covenants. Our failure to comply with these covenants could result in an event of default which, if not cured or waived, could result in the acceleration of all of our indebtedness, which would materially adversely affect our financial health if we are unable to access sufficient funds to repay all the outstanding amounts. Moreover, if we are unable to meet our debt obligations as they come due, we could be forced to restructure or refinance such obligations, seek additional equity financing or sell assets, which we may not be able to do on satisfactory terms, or at all. In addition, the Credit Agreement includes certain mandatory prepayment provisions, including annual prepayments of the Term Loans with a portion of our excess cash flow. As long as the Term Loans remain outstanding, the restrictive covenants and mandatory prepayment provisions could impair our ability to expand or pursue our business strategies or obtain additional funding. On August 7, 2017, the Company and its subsidiaries entered into Amendment No. 4 to the Credit Agreement (“Amendment No. 4”). Amendment No. 4 provides that there shall be no requirement that the Company and its subsidiaries meet any minimum EBITDA threshold for the twelve-month period ended June 30, 2017. The requirement that Fluent and its subsidiaries meet the required minimum EBITDA threshold for the twelve-month period ended June 30, 2017 was not impacted by Amendment No. 4. As of June 30, 2017, the Company was in compliance with the covenants under the Credit Agreement, after giving effect to Amendment No. 4. On November 3, 2017, the Company and its subsidiaries entered into Amendment No. 5 to the Credit Agreement (“Amendment No. 5”). Amendment No. 5 provides for certain amendments to the definition of EBITDA by adding back acquisition and restructuring costs resulting from the Business Combination Transaction, and non-recurring costs relating to litigation with TRADS that we settled on July 22, 2017. Amendment No. 5 also amends the minimum EBITDA threshold for the Company and its subsidiaries beginning with the quarter ended September 30, 2017. In addition, Amendment No. 5 allows for additional transfer of cash from Fluent to the Company, provided that Fluent maintains a minimum cash balance. As of September 30, 2017, the Company was in compliance with the covenants under the Credit Agreement, after giving effect to Amendment No. 5.

Contractual Obligations

As of September 30, 2017, the Company has the following future contractual obligations:

(In thousands)	Remainder of 2017	2018	2019	2020	2021	2022 and thereafter	Total
Lease agreements	\$ 427	\$ 1,961	\$ 686	\$ 705	\$ 724	\$ 2,127	\$ 6,630
Data licensing agreements	1,074	4,990	5,930	6,250	4,775	1,302	24,321
Debt	2,526	8,905	9,597	55,667	15,782	-	92,477
Acquisition consideration payable in stock	10,225	-	-	-	-	-	10,225
Litigation settlement	1,500	3,500	-	-	-	-	5,000
Employment agreements	638	1,145	905	301	-	-	2,989
Total	\$ 16,390	\$ 20,501	\$ 17,118	\$ 62,923	\$ 21,281	\$ 3,429	\$ 141,642

The lease agreements represent future minimum rental payments under non-cancellable operating leases having initial or remaining lease terms of more than one year. The data licensing agreements of \$24.3 million represent material data purchase commitments under non-cancellable data licensing agreements. Debt of \$92.5 million represents the payment of principal and interest of the Term Loans and Promissory Notes. Acquisition consideration payable in stock mainly represents the fair value of earn-out shares associated with the Q Interactive Acquisition, payable in 2017. Litigation settlement represents payments, over the course of one year, in connection with the TRADS Litigation Settlement. Employment agreements represent related agreements reached with certain executives, including our Chief Executive Officer and Chief Financial Officer, etc., which provide for compensation and certain other benefits and for severance payments under certain circumstances. The total future contractual obligations as of September 30, 2017 increased by \$28.1 million from December 31, 2016, which was primarily due to the increase in data licensing agreements of \$7.6 million, debt of \$12.7 million, and litigation settlement of \$5.0 million.

Off-Balance Sheet Arrangements

As of September 30, 2017, we did not have any off-balance sheet arrangements, as defined in Item 303(a)(4)(ii) of Regulation S-K.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risk for the effect of interest rate changes. To date, we have not used derivative instruments to mitigate the impact of our market risk exposures. We have also not used, nor do we intend to use, derivatives for trading or speculative purposes.

Interest Rate Risk

We are exposed to market risk related to changes in interest rates. Our investments are considered cash equivalents and primarily consist of money market mutual funds. As of September 30, 2017, we had cash and cash equivalents of \$10.3 million. The carrying amount of our cash and cash equivalents reasonably approximates fair value, due to the fact that we can redeem such investment freely. The primary objectives of our investment activities are the preservation of capital, the fulfillment of liquidity needs and the fiduciary control of cash and investments. We do not enter into investments for trading or speculative purposes. Our investments are exposed to market risk due to a fluctuation in interest rates, which may affect our interest income and the fair market value of our investments. Due to the short-term nature of our investment portfolio, we do not expect our operating results or cash flows to be materially affected by a sudden change in market interest rates.

As of September 30, 2017, we have the principal amount of long-term debt, plus PIK interest, in the aggregate of \$67.1 million, including current portion of long-term debt. Our Term Loans accrue interest at LIBOR (with a floor of 0.5%) plus 10.5% per annum, payable in cash, plus an additional 1.0% per annum payable, at Fluent's election, in-kind or in cash. Interest under the Term Loans is payable monthly, including monthly compounding of PIK interest. Our Promissory Notes have a rate of interest of 10% per annum, which interest is capitalized monthly by adding to the outstanding principal amount of such Promissory Notes. The fair value of our debt will generally fluctuate with movements of interest rates, increasing in periods of declining rates of interest and declining in periods of increasing rates of interest.

A hypothetical 10% increase in interest rates relative to our current interest rates would not have a material impact on the fair value of all of our outstanding long-term debt, net. Changes in interest rates would, however, affect operating results and cash flows, because of the variable rate nature of the Term Loans. A hypothetical 10% increase or decrease in overall interest rates as of September 30, 2017 would result in an impact to interest expense for the next twelve months by \$0.8 million.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of September 30, 2017. We maintain disclosure controls and procedures that are designed to provide reasonable assurance that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure. Our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Based on the evaluation of disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934), the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of September 30, 2017.

Changes in Internal Control Over Financial Reporting

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

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

On July 22, 2017, the Company entered in a settlement agreement with TransUnion and TransUnion Risk and Alternative Data Solutions, Inc. (“TRADS”), settling all litigation with TransUnion and TRADS. Company subsidiary, IDI Holdings, LLC (“IDI Holdings”), will pay \$7.0 million to TRADS over the course of one year to settle all matters (the “TRADS Litigation Settlement”). The terms of the settlement agreement are confidential. The Company recorded an expense of \$7.0 million in general and administrative expenses during the three months ended June 30, 2017. For a description of the legal proceedings settled in the TRADS Litigation Settlement, see Part I, Item 3 of the Company’s 2016 Form 10-K and Part II, Item 1 of the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2017.

Following the TRADS Litigation Settlement, the Company is not currently a party to any legal proceeding, investigation or claim which, in the opinion of the management, is likely to have a material adverse effect on the business, financial condition, results of operations or cash flows. Legal fees associated with such legal proceedings, are expensed as incurred. We review legal proceedings and claims on an ongoing basis and follow appropriate accounting guidance, including ASC 450, when making accrual and disclosure decisions. We establish accruals for those contingencies where the incurrence of a loss is probable and can be reasonably estimated, and we disclose the amount accrued and the amount of a reasonably possible loss in excess of the amount accrued, if such disclosure is necessary for our financial statements to not be misleading. To estimate whether a loss contingency should be accrued by a charge to income, we evaluate, among other factors, the degree of probability of an unfavorable outcome and the ability to make a reasonable estimate of the amount of the loss. We do not record liabilities when the likelihood that the liability has been incurred is probable, but the amount cannot be reasonably estimated.

In addition, we may be involved in litigation from time to time in the ordinary course of business. We do not believe that the ultimate resolution of any such matters will have a material adverse effect on our business, financial condition, results of operations or cash flows. However, the results of such matters cannot be predicted with certainty and we cannot assure you that the ultimate resolution of any legal or administrative proceeding or dispute will not have a material adverse effect on our business, financial condition, results of operations and cash flows.

Item 1A. Risk Factors.

Our business, financial condition, operating results, and cash flows may be impacted by a number of factors, many of which are beyond our control, including those set forth in our Annual Report on 10-K for the year ended December 31, 2016 (“2016 Form 10-K”), filed on March 14, 2017, the occurrence of any one of which could have a material adverse effect on our actual results.

There have been no material changes to the Risk Factors previously disclosed in our 2016 Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not Applicable.

Item 5. Other Information.

Amendment No. 5

On November 3, 2017, the Company and its subsidiaries entered into Amendment No. 5 to the Credit Agreement (“Amendment No. 5”). Amendment No. 5 provides for certain amendments to the definition of EBITDA by adding back acquisition and restructuring costs resulting from the potential business combination transaction pursuant to the Business Combination Agreement entered into on September 6, 2017, and non-recurring costs relating to litigation with TransUnion Risk and Alternative Data Solutions, Inc. that we settled on July 22, 2017. Amendment No. 5 also amends the minimum EBITDA threshold for the Company and its subsidiaries beginning with the quarter ended September 30, 2017. In addition, Amendment No. 5 allows for additional transfer of cash from Fluent, LLC to the Company, provided that Fluent maintains a minimum cash balance. As of September 30, 2017, the Company was in compliance with the covenants under the Credit Agreement, after giving effect to Amendment No. 5.

Amendment No. 5 is filed as Exhibits 10.9 to this quarterly report on Form 10-Q and incorporated herein by reference.

Whitehorse Warrant Amendments

On November 3, 2017, the Company entered into warrant amendments (the “Whitehorse Warrant Amendments”) with (i) H.I.G. Whitehorse SMA ABF, L.P. regarding 46,667 warrants to purchase common stock of the Company, par value \$0.0005 per share, at an exercise price of \$5.0829 per share; (ii) H.I.G. Whitehorse SMA Holdings I, LLC regarding 66,666 warrants to purchase common stock of the Company at an exercise price of \$5.0829 per share; and (iii) Whitehorse Finance, Inc. regarding 186,667 warrants to purchase common stock of the Company at an exercise price of \$5.0829 per share; pursuant to which the Company agreed to reduce the exercise price of all common stock warrants described above to \$3.00 per share, and each warrant holder set forth above separately agreed to exercise all common stock warrants held by them within 30 days. Pursuant to the terms of the Whitehorse Warrant Amendments, the warrant holders are prohibited from engaging or otherwise agreeing to any sale, pledge, or other transfer of the shares of common stock underlying the warrants for a period of 120 days following the exercise of such warrants in full (the “Whitehorse Lock-Up Period”). Following the Whitehorse Lock-Up Period, (i) the warrant holders may only sell such number of shares underlying the warrants representing up to 5% of the Company’s daily trading volume on the immediately prior trading day prior to a sale and (ii) the warrant holders may not transfer any of the shares underlying the warrants for less than \$4.50 per share, provided that the warrant holder may not transfer any shares underlying the warrants unless the Company has an effective registration statement permitting the resale of the shares underlying the warrants.

The Company has also agreed to register the resale of the shares underlying the warrants, if exercised in full as set forth in the Whitehorse Warrant Amendments, during the Whitehorse Lock-Up Period. The issuance of the shares of such common stock upon exercise of the above-described warrants is exempt from the registration requirements of the Securities Act of 1933, as amended (the “Act”), in accordance with Section 4(a)(2) of the Act, as a transaction by an issuer not involving a public offering.

The description of the Whitehorse Warrant Amendments does not purport to be complete and is qualified in its entirety by reference to each respective Whitehorse Warrant Amendment, which are filed as Exhibits 4.6, 4.7, and 4.8 to this quarterly report on Form 10-Q and incorporated herein by reference.

Acquisition consideration payable in stock

On November 3, 2017, in connection with the terms of that certain Membership Interest Purchase Agreement (the “Purchase Agreement”) entered into on June 8, 2016 between the Company and Selling Source, LLC (“Selling Source”) pursuant which Selling Source sold to the Company all of Selling Source’s right, title, and interest in all of the issued and outstanding membership interests in Q Interactive, LLC, the Company issued 2,750,000 shares (the “Shares”) of the Company’s common stock, representing the earn-out shares and certain other adjustments, including the monetized shares and the net working capital adjustment.

Within 10 business days following the issuance of the Shares, the Company shall file a registration statement registering the resale of the Shares and shall use commercially reasonable best efforts to cause such registration statement to become effective no later than 30 days thereafter.

The Shares issued in connection with the Purchase Agreement are exempt from the registration requirements of the Act, in accordance with Section 4(a)(2) of the Act, as a transaction by an issuer not involving a public offering.

Item 6. Exhibits.

The following exhibits are filed as part of, or incorporated by reference into, this Quarterly Report on Form 10-Q.

<u>Exhibit No.</u>	<u>Description</u>
2.1	<u>Business Combination Agreement dated September 6, 2017, by and among Cogint, Inc., and BlueFocus International Limited (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed September 7, 2017).</u>
4.1	<u>First Amendment to Common Stock Purchase Warrant and Notice of Exercise with Intracoastal Capital, LLC - \$3.75 Warrants (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed October 17, 2017).</u>
4.2	<u>First Amendment to Common Stock Purchase Warrant and Notice of Exercise with Intracoastal Capital, LLC - \$8.00 Warrants (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed October 17, 2017).</u>
4.3	<u>First Amendment to Common Stock Purchase Warrant and Notice of Exercise with Intracoastal Capital, LLC - \$10.00 Warrants (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed October 17, 2017).</u>
4.4	<u>First Amendment to Common Stock Purchase Warrant and Notice of Exercise with Anson Investment Master Fund LP - \$8.00 Warrants (incorporated by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K filed October 17, 2017).</u>
4.5	<u>Form of Additional Warrants (incorporated by reference to Exhibit 4.5 to the Company's Current Report on Form 8-K filed October 17, 2017).</u>
4.6	<u>Amendment to Warrants and Agreement to Exercise with H.I.G. Whitehorse SMA ABF, L.P. dated November 3, 2017.*</u>
4.7	<u>Amendment to Warrants and Agreement to Exercise with H.I.G. Whitehorse SMA Holdings I, LLC dated November 3, 2017.*</u>
4.8	<u>Amendment to Warrants and Agreement to Exercise with Whitehorse Finance, Inc. dated November 3, 2017.*</u>
10.1	<u>Written Consent and Voting Agreement dated September 6, 2017, by and among certain Consenting Stockholders and Blue Focus International Limited (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed September 7, 2017).</u>
10.2	<u>Stockholders' Agreement dated September 6, 2017, by and among certain Consenting Stockholders and BlueFocus International Limited (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed September 7, 2017).</u>
10.3	<u>Separation and Distribution Agreement dated September 6, 2017, by and among Cogint, Inc. and Red Violet, Inc. (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed September 7, 2017).</u>
10.4	<u>Tax Matters Agreement dated September 6, 2017, by and among Cogint, Inc. and Red Violet, Inc. (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed September 7, 2017).</u>
10.5	<u>Employee Matters Agreement dated September 6, 2017, by and among Cogint, Inc. and Red Violet, Inc. (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K filed September 7, 2017).±</u>
10.6	<u>Third Amendment to Employment Agreement dated September 6, 2017, by and between Cogint, Inc. and James Reilly (incorporated by reference to Exhibit 10.6 to the Company's Current Report on Form 8-K filed September 7, 2017).±</u>
10.7	<u>Consulting Services Agreement, effective as of June 23, 2017, by and between Cogint, Inc. and Michael Brauser (incorporated by reference to Exhibit 10.7 to the Company's Current Report on Form 8-K filed September 7, 2017).</u>
10.8	<u>Amendment No. 4 to Credit Agreement, dated as of August 7, 2017, by and among Cogint, Inc., Fluent, LLC, the other borrowers party thereto, Whitehorse Finance, Inc., as administrative agent, and the other lenders party thereto.*</u>
10.9	<u>Amendment No. 5 to Credit Agreement, dated as of November 3, 2017, by and among Cogint, Inc., Fluent, LLC, the other borrowers party thereto, Whitehorse Finance, Inc., as administrative agent, and the other lenders party thereto.*</u>
31.1	<u>Certification of Chief Executive Officer filed pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a) of the Securities and Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*</u>
31.2	<u>Certification of Chief Financial Officer filed pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a) of the Securities and Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*</u>

- 32.1 [Certification by Chief 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 by Chief 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*
- 101.SCH XBRL Taxonomy Extension Schema Document*
- 101.CAL XBRL Taxonomy Extension Calculation Linkbase Document*
- 101.DEF XBRL Taxonomy Extension Definition Linkbase Document*
- 101.LAB XBRL Taxonomy Extension Label Linkbase Document*
- 101.PRE XBRL Taxonomy Extension Presentation Linkbase Document*
- + Management contract or compensatory plan or arrangement
- * Filed herewith
- ** Furnished herewith

SIGNATURES

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

November 8, 2017

Cogint, Inc.

By: /s/ Daniel MacLachlan
Daniel MacLachlan
Chief Financial Officer
(Principal Financial Officer)

By: /s/ Jacky Wang
Jacky Wang
Chief Accounting Officer
(Principal Accounting Officer)

**AMENDMENT TO WARRANTS
AND AGREEMENT TO EXERCISE**

THIS AMENDMENT TO WARRANTS AND AGREEMENT TO EXERCISE (this "Amendment") is dated November 3, 2017 by and among Cogint, Inc. (the "Corporation") and H.I.G. Whitehorse SMA ABF, L.P. ("Warrantholder"). Capitalized terms used herein that are not otherwise defined shall have the meanings set forth in the Warrants (defined below).

RECITALS

WHEREAS, on October 7, 2016, the Corporation issued to Warrantholder warrants to purchase, in aggregate, forty-six thousand six hundred sixty-seven (46,667) shares of the Corporation's Common Stock, par value \$0.0005 per share (the "Warrants"); and

WHEREAS, the Corporation and Warrantholder have agreed to lower the Exercise Price of the Warrants on the terms set forth herein, and Warrantholder wishes to exercise its Warrants at such amended Exercise Price and pursuant to the terms set forth herein.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto, intending to be legally bound, hereby agree as follows:

1. AMENDMENT TO WARRANT. From the date hereof until 5:00 p.m., New York City time, on the date that is thirty (30) days from the date hereof (the "Amendment Termination Date"), the Exercise Price is hereby amended to equal \$3.00 per share of Common Stock, which may be paid only in cash, by certified check or by wire transfer in accordance with Section 3(b)(i) of the Warrants. If Warrantholder fails to exercise all of the Warrants in accordance with this Amendment, the Exercise Price shall revert to \$5.0829, and the Corporation shall have all remedies under law or in equity with respect to such breach.
2. AGREEMENT TO EXERCISE. Warrantholder hereby agrees to exercise all of the Warrants prior to the expiration of the Amendment Termination Date. The Warrantholder warrants and represents that it is an "accredited investor" as defined in Regulation D promulgated under the Securities Act. The Warrant Shares shall be issued in the name of the Warrantholder, in book entry form, and shall bear a restrictive legend substantially in the form set forth in Section 11(a) of the Warrants.
3. LOCK-UP. Warrantholder acknowledges and agrees that it shall not, other than as specifically permitted pursuant to this Amendment, for a period of one hundred twenty (120) days from the date of exercise of all of the Warrants (the "Lock-Up Period"), directly or indirectly, through an "affiliate" or "associate" (as such terms are defined in the General Rules and Regulations under the Securities Act), or otherwise, offer, sell, pledge, hypothecate, lend, grant an option, right or warrant for sale, purchase any option, warrant or contract to sell, or otherwise dispose of, or transfer or grant any rights with respect to (each, a "Transfer") any of the Warrant Shares in any manner either privately or publicly, or enter into any agreement or any transaction that has the effect of transferring, in whole or in part, directly or indirectly, the economic consequence of ownership of the Warrant Shares, whether any such agreement or transaction is to be settled by delivery of the Warrant Shares or otherwise. The Warrantholder further acknowledges and agrees that it shall not publicly disclose the intention to do any of the foregoing.
4. REGISTRATION OF WARRANT SHARES. Provided Warrantholder has fully complied with its obligations hereunder, until such time that the transactions contemplated by that certain Business Combination Agreement dated as of September 6, 2017 (the "BCA") between the Corporation and BlueFocus International Limited are consummated, or the BCA is terminated, the Corporation shall use commercially reasonable efforts to (a) file a registration statement permitting the resale of the Warrant Shares by Holder with the Securities and Exchange Commission (the "SEC"), and (b) to have such registration statement effective prior to the expiration of the Lock-Up Period.

5. LEAK OUT. Following the Lock-Up Period, Warrantholder acknowledges and agrees that, (i) on any given trading day, it may only sell Warrant Shares representing up to five percent (5%) of the daily trading volume of the Common Stock on the immediately prior Trading Day, and (ii) Warrantholder shall not Transfer any of the Warrant Shares for less than \$4.50 per share (as appropriately adjusted for any stock split or reverse stock split, stock dividend, combination, or other recapitalization or reclassification effected after the date hereof). For the purpose of this Amendment, "Trading Day" means a day on which the Nasdaq Global Market is open for trading. Notwithstanding the provisions of this Section 5, Warrantholder may not Transfer any Warrant Shares until such time that there is an effective registration statement permitting the resale of the Warrant Shares by Holder on file with the SEC.

6. PLACEMENT OF WARRANT SHARES. Provided Warrantholder has exercised the Warrants in full in accordance with the terms of this Amendment, during the Lock-Up Period and until such time that the transactions contemplated by the BCA are consummated, or the BCA is terminated, the Corporation shall use commercially reasonable efforts to place or otherwise arrange for the sale of all or a portion of the Warrant Shares, at a price per share of no less than (a) eighty-five percent (85%) of the volume-weighted average price per share of the Common Stock for the five (5) Trading Days immediately preceding the date of the sale and (b) Four and 50/100 Dollars (\$4.50) per share.

7. PUT RIGHT. Provided Warrantholder has exercised the Warrants in accordance with the terms of this Amendment, upon either (a) the Record Date, as defined in the BCA (the "Record Date"), such Record Date to be provided to the Warrantholder by written notice at least ten (10) Business Days prior to the Record Date, or (b) the termination of the BCA by either party thereto, then Warrantholder shall have the right, but not the obligation, to require the Corporation to purchase from Warrantholder all Warrant Shares held by Warrantholder at a price equal to Four and 50/100 Dollars (\$4.50) per share (the "Put Right") on the terms and conditions set forth herein. In order to exercise the Put Right, Warrantholder shall provide the Corporation written notice thereof (i) no less than four (4) Business Days prior to the Record Date, or (ii) no later than five (5) Business Days following the Corporation's filing with the Securities and Exchange Commission announcing termination of the BCA. As a condition precedent to the exercise of the Put Right, Warrantholder shall still own and possess the Warrant Shares free and clear of any and all liens, mortgages, pledges, security interests, encumbrances or charges of any kind. Subject to the terms of this Amendment, including Warrantholder's compliance with the notice provisions and the satisfaction of all conditions precedent, the Corporation shall purchase all Warrant Shares held by Warrantholder no later than four (4) Business Days from the Corporation's receipt of Warrantholder's written notice of exercise of the Put Right, which purchase shall be effective upon delivery of the purchase price therefor.

8. SPECIFIC PERFORMANCE. Each party acknowledges that a breach or threatened breach of this Amendment, including but not limited to Section 2, would give rise to irreparable harm to the other party, for which monetary damages would not be an adequate remedy, and each party hereby agrees that in the event of a breach or a threatened breach by the other party of any of such party's obligations hereunder, the non-breaching party shall, in addition to any and all other rights and remedies that may be available to it in respect of such breach, be entitled to equitable relief, including specific performance and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond, subject to applicable law).

9. COUNTERPARTS. This Amendment may be executed by one or more of the parties hereto in any number of separate counterparts, each of which shall be deemed an original and all of which, taken together, shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of this Amendment by electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first written above.

CORPORATION:

COGINT, INC.

By: /s/ Derek Dubner

Name: Derek Dubner

Title: Chief Executive Officer

[Signatures continue on following page]

[Signature Page to Amendment to Warrants and Agreement to Exercise]

WARRANTHOLDER:

H.I.G. Whitehorse SMA ABF, L.P.

By: /s/ Richard Siegel

Name: Richard Siegel

Title: Authorized Signatory

[Signature Page to Amendment to Warrants and Agreement to Exercise]

**AMENDMENT TO WARRANTS
AND AGREEMENT TO EXERCISE**

THIS AMENDMENT TO WARRANTS AND AGREEMENT TO EXERCISE (this "Amendment") is dated November 3, 2017 by and among Cogint, Inc. (the "Corporation") and H.I.G. Whitehorse SMA Holdings I, LLC ("Warrantholder"). Capitalized terms used herein that are not otherwise defined shall have the meanings set forth in the Warrants (defined below).

RECITALS

WHEREAS, on October 7, 2016, the Corporation issued to Warrantholder warrants to purchase, in aggregate, sixty-six thousand six hundred sixty-six (66,666) shares of the Corporation's Common Stock, par value \$0.0005 per share (the "Warrants"); and

WHEREAS, the Corporation and Warrantholder have agreed to lower the Exercise Price of the Warrants on the terms set forth herein, and Warrantholder wishes to exercise its Warrants at such amended Exercise Price and pursuant to the terms set forth herein.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto, intending to be legally bound, hereby agree as follows:

1. AMENDMENT TO WARRANT. From the date hereof until 5:00 p.m., New York City time, on the date that is thirty (30) days from the date hereof (the "Amendment Termination Date"), the Exercise Price is hereby amended to equal \$3.00 per share of Common Stock, which may be paid only in cash, by certified check or by wire transfer in accordance with Section 3(b)(i) of the Warrants. If Warrantholder fails to exercise all of the Warrants in accordance with this Amendment, the Exercise Price shall revert to \$5.0829, and the Corporation shall have all remedies under law or in equity with respect to such breach.

2. AGREEMENT TO EXERCISE. Warrantholder hereby agrees to exercise all of the Warrants prior to the expiration of the Amendment Termination Date. The Warrantholder warrants and represents that it is an "accredited investor" as defined in Regulation D promulgated under the Securities Act. The Warrant Shares shall be issued in the name of the Warrantholder, in book entry form, and shall bear a restrictive legend substantially in the form set forth in Section 11(a) of the Warrants.

3. LOCK-UP. Warrantholder acknowledges and agrees that it shall not, other than as specifically permitted pursuant to this Amendment, for a period of one hundred twenty (120) days from the date of exercise of all of the Warrants (the "Lock-Up Period"), directly or indirectly, through an "affiliate" or "associate" (as such terms are defined in the General Rules and Regulations under the Securities Act), or otherwise, offer, sell, pledge, hypothecate, lend, grant an option, right or warrant for sale, purchase any option, warrant or contract to sell, or otherwise dispose of, or transfer or grant any rights with respect to (each, a "Transfer") any of the Warrant Shares in any manner either privately or publicly, or enter into any agreement or any transaction that has the effect of transferring, in whole or in part, directly or indirectly, the economic consequence of ownership of the Warrant Shares, whether any such agreement or transaction is to be settled by delivery of the Warrant Shares or otherwise. The Warrantholder further acknowledges and agrees that it shall not publicly disclose the intention to do any of the foregoing.

4. REGISTRATION OF WARRANT SHARES. Provided Warrantholder has fully complied with its obligations hereunder, until such time that the transactions contemplated by that certain Business Combination Agreement dated as of September 6, 2017 (the "BCA") between the Corporation and BlueFocus International Limited are consummated, or the BCA is terminated, the Corporation shall use commercially reasonable efforts to (a) file a registration statement permitting the resale of the Warrant Shares by Holder with the Securities and Exchange Commission (the "SEC"), and (b) to have such registration statement effective prior to the expiration of the Lock-Up Period.

5. LEAK OUT. Following the Lock-Up Period, Warrantholder acknowledges and agrees that, (i) on any given trading day, it may only sell Warrant Shares representing up to five percent (5%) of the daily trading volume of the Common Stock on the immediately prior Trading Day, and (ii) Warrantholder shall not Transfer any of the Warrant Shares for less than \$4.50 per share (as appropriately adjusted for any stock split or reverse stock split, stock dividend, combination, or other recapitalization or reclassification effected after the date hereof). For the purpose of this Amendment, "Trading Day" means a day on which the Nasdaq Global Market is open for trading. Notwithstanding the provisions of this Section 5, Warrantholder may not Transfer any Warrant Shares until such time that there is an effective registration statement permitting the resale of the Warrant Shares by Holder on file with the SEC.

6. PLACEMENT OF WARRANT SHARES. Provided Warrantholder has exercised the Warrants in full in accordance with the terms of this Amendment, during the Lock-Up Period and until such time that the transactions contemplated by the BCA are consummated, or the BCA is terminated, the Corporation shall use commercially reasonable efforts to place or otherwise arrange for the sale of all or a portion of the Warrant Shares, at a price per share of no less than (a) eighty-five percent (85%) of the volume-weighted average price per share of the Common Stock for the five (5) Trading Days immediately preceding the date of the sale and (b) Four and 50/100 Dollars (\$4.50) per share.

7. PUT RIGHT. Provided Warrantholder has exercised the Warrants in accordance with the terms of this Amendment, upon either (a) the Record Date, as defined in the BCA (the "Record Date"), such Record Date to be provided to the Warrantholder by written notice at least ten (10) Business Days prior to the Record Date, or (b) the termination of the BCA by either party thereto, then Warrantholder shall have the right, but not the obligation, to require the Corporation to purchase from Warrantholder all Warrant Shares held by Warrantholder at a price equal to Four and 50/100 Dollars (\$4.50) per share (the "Put Right") on the terms and conditions set forth herein. In order to exercise the Put Right, Warrantholder shall provide the Corporation written notice thereof (i) no less than four (4) Business Days prior to the Record Date, or (ii) no later than five (5) Business Days following the Corporation's filing with the Securities and Exchange Commission announcing termination of the BCA. As a condition precedent to the exercise of the Put Right, Warrantholder shall still own and possess the Warrant Shares free and clear of any and all liens, mortgages, pledges, security interests, encumbrances or charges of any kind. Subject to the terms of this Amendment, including Warrantholder's compliance with the notice provisions and the satisfaction of all conditions precedent, the Corporation shall purchase all Warrant Shares held by Warrantholder no later than four (4) Business Days from the Corporation's receipt of Warrantholder's written notice of exercise of the Put Right, which purchase shall be effective upon delivery of the purchase price therefor.

8. SPECIFIC PERFORMANCE. Each party acknowledges that a breach or threatened breach of this Amendment, including but not limited to Section 2, would give rise to irreparable harm to the other party, for which monetary damages would not be an adequate remedy, and each party hereby agrees that in the event of a breach or a threatened breach by the other party of any of such party's obligations hereunder, the non-breaching party shall, in addition to any and all other rights and remedies that may be available to it in respect of such breach, be entitled to equitable relief, including specific performance and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond, subject to applicable law).

9. COUNTERPARTS. This Amendment may be executed by one or more of the parties hereto in any number of separate counterparts, each of which shall be deemed an original and all of which, taken together, shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of this Amendment by electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first written above.

CORPORATION:

COGINT, INC.

By: /s/ Derek Dubner

Name: Derek Dubner

Title: Chief Executive Officer

[Signatures continue on following page]

[Signature Page to Amendment to Warrants and Agreement to Exercise]

WARRANTHOLDER:

H.I.G. Whitehorse SMA Holdings I, LLC

By: /s/ Richard Siegel

Name: Richard Siegel

Title: Authorized Signatory

[Signature Page to Amendment to Warrants and Agreement to Exercise]

**AMENDMENT TO WARRANTS
AND AGREEMENT TO EXERCISE**

THIS AMENDMENT TO WARRANTS AND AGREEMENT TO EXERCISE (this "Amendment") is dated November 3, 2017 by and among Cogint, Inc. (the "Corporation") and Whitehorse Finance, Inc. ("Warrantholder"). Capitalized terms used herein that are not otherwise defined shall have the meanings set forth in the Warrants (defined below).

RECITALS

WHEREAS, on October 7, 2016, the Corporation issued to Warrantholder warrants to purchase, in aggregate, one hundred eighty-six thousand six hundred sixty-seven (186,667) shares of the Corporation's Common Stock, par value \$0.0005 per share (the "Warrants"); and

WHEREAS, the Corporation and Warrantholder have agreed to lower the Exercise Price of the Warrants on the terms set forth herein, and Warrantholder wishes to exercise its Warrants at such amended Exercise Price and pursuant to the terms set forth herein.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto, intending to be legally bound, hereby agree as follows:

1. AMENDMENT TO WARRANT. From the date hereof until 5:00 p.m., New York City time, on the date that is thirty (30) days from the date hereof (the "Amendment Termination Date"), the Exercise Price is hereby amended to equal \$3.00 per share of Common Stock, which may be paid only in cash, by certified check or by wire transfer in accordance with Section 3(b)(i) of the Warrants. If Warrantholder fails to exercise all of the Warrants in accordance with this Amendment, the Exercise Price shall revert to \$5.0829, and the Corporation shall have all remedies under law or in equity with respect to such breach.
2. AGREEMENT TO EXERCISE. Warrantholder hereby agrees to exercise all of the Warrants prior to the expiration of the Amendment Termination Date. The Warrantholder warrants and represents that it is an "accredited investor" as defined in Regulation D promulgated under the Securities Act. The Warrant Shares shall be issued in the name of the Warrantholder, in book entry form, and shall bear a restrictive legend substantially in the form set forth in Section 11(a) of the Warrants.
3. LOCK-UP. Warrantholder acknowledges and agrees that it shall not, other than as specifically permitted pursuant to this Amendment, for a period of one hundred twenty (120) days from the date of exercise of all of the Warrants (the "Lock-Up Period"), directly or indirectly, through an "affiliate" or "associate" (as such terms are defined in the General Rules and Regulations under the Securities Act), or otherwise, offer, sell, pledge, hypothecate, lend, grant an option, right or warrant for sale, purchase any option, warrant or contract to sell, or otherwise dispose of, or transfer or grant any rights with respect to (each, a "Transfer") any of the Warrant Shares in any manner either privately or publicly, or enter into any agreement or any transaction that has the effect of transferring, in whole or in part, directly or indirectly, the economic consequence of ownership of the Warrant Shares, whether any such agreement or transaction is to be settled by delivery of the Warrant Shares or otherwise. The Warrantholder further acknowledges and agrees that it shall not publicly disclose the intention to do any of the foregoing.
4. REGISTRATION OF WARRANT SHARES. Provided Warrantholder has fully complied with its obligations hereunder, until such time that the transactions contemplated by that certain Business Combination Agreement dated as of September 6, 2017 (the "BCA") between the Corporation and BlueFocus International Limited are consummated, or the BCA is terminated, the Corporation shall use commercially reasonable efforts to (a) file a registration statement permitting the resale of the Warrant Shares by Holder with the Securities and Exchange Commission (the "SEC"), and (b) to have such registration statement effective prior to the expiration of the Lock-Up Period.

5. LEAK OUT. Following the Lock-Up Period, Warrantholder acknowledges and agrees that, (i) on any given trading day, it may only sell Warrant Shares representing up to five percent (5%) of the daily trading volume of the Common Stock on the immediately prior Trading Day, and (ii) Warrantholder shall not Transfer any of the Warrant Shares for less than \$4.50 per share (as appropriately adjusted for any stock split or reverse stock split, stock dividend, combination, or other recapitalization or reclassification effected after the date hereof). For the purpose of this Amendment, "Trading Day" means a day on which the Nasdaq Global Market is open for trading. Notwithstanding the provisions of this Section 5, Warrantholder may not Transfer any Warrant Shares until such time that there is an effective registration statement permitting the resale of the Warrant Shares by Holder on file with the SEC.

6. PLACEMENT OF WARRANT SHARES. Provided Warrantholder has exercised the Warrants in full in accordance with the terms of this Amendment, during the Lock-Up Period and until such time that the transactions contemplated by the BCA are consummated, or the BCA is terminated, the Corporation shall use commercially reasonable efforts to place or otherwise arrange for the sale of all or a portion of the Warrant Shares, at a price per share of no less than (a) eighty-five percent (85%) of the volume-weighted average price per share of the Common Stock for the five (5) Trading Days immediately preceding the date of the sale and (b) Four and 50/100 Dollars (\$4.50) per share.

7. PUT RIGHT. Provided Warrantholder has exercised the Warrants in accordance with the terms of this Amendment, upon either (a) the Record Date, as defined in the BCA (the "Record Date"), such Record Date to be provided to the Warrantholder by written notice at least ten (10) Business Days prior to the Record Date, or (b) the termination of the BCA by either party thereto, then Warrantholder shall have the right, but not the obligation, to require the Corporation to purchase from Warrantholder all Warrant Shares held by Warrantholder at a price equal to Four and 50/100 Dollars (\$4.50) per share (the "Put Right") on the terms and conditions set forth herein. In order to exercise the Put Right, Warrantholder shall provide the Corporation written notice thereof (i) no less than four (4) Business Days prior to the Record Date, or (ii) no later than five (5) Business Days following the Corporation's filing with the Securities and Exchange Commission announcing termination of the BCA. As a condition precedent to the exercise of the Put Right, Warrantholder shall still own and possess the Warrant Shares free and clear of any and all liens, mortgages, pledges, security interests, encumbrances or charges of any kind. Subject to the terms of this Amendment, including Warrantholder's compliance with the notice provisions and the satisfaction of all conditions precedent, the Corporation shall purchase all Warrant Shares held by Warrantholder no later than four (4) Business Days from the Corporation's receipt of Warrantholder's written notice of exercise of the Put Right, which purchase shall be effective upon delivery of the purchase price therefor.

8. SPECIFIC PERFORMANCE. Each party acknowledges that a breach or threatened breach of this Amendment, including but not limited to Section 2, would give rise to irreparable harm to the other party, for which monetary damages would not be an adequate remedy, and each party hereby agrees that in the event of a breach or a threatened breach by the other party of any of such party's obligations hereunder, the non-breaching party shall, in addition to any and all other rights and remedies that may be available to it in respect of such breach, be entitled to equitable relief, including specific performance and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond, subject to applicable law).

9. COUNTERPARTS. This Amendment may be executed by one or more of the parties hereto in any number of separate counterparts, each of which shall be deemed an original and all of which, taken together, shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of this Amendment by electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first written above.

CORPORATION:

COGINT, INC.

By: /s/ Derek Dubner

Name: Derek Dubner

Title: Chief Executive Officer

[Signatures continue on following page]

[Signature Page to Amendment to Warrants and Agreement to Exercise]

WARRANTHOLDER:

Whitehorse Finance, Inc.

By: /s/ Edward J. Giordano
Name: Edward J. Giordano
Title: Authorized Signatory

[Signature Page to Amendment to Warrants and Agreement to Exercise]

AMENDMENT NO. 4 TO CREDIT AGREEMENT

This AMENDMENT NO. 4 TO CREDIT AGREEMENT (this "Amendment") is entered into as of August 7, 2017 by and among COGINT, INC. (f/k/a IDI, Inc.), a Delaware corporation, as parent (the "Parent"), FLUENT, LLC, a Delaware limited liability company ("Borrower"), the other borrower parties party hereto (together with the Parent and the Borrower, the "Borrower Parties"), WHITEHORSE FINANCE, INC., as Administrative Agent (in such capacity, together with its successors and assigns, "Administrative Agent"), and the lenders party hereto (collectively, the "Lenders"). Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Credit Agreement (as defined below).

RECITALS

A. The Borrower, the Parent, Administrative Agent and the Lenders, together with the persons party thereto from time to time as Guarantors, are party to that certain Credit Agreement, dated as of December 8, 2015, as amended by that certain Limited Consent and Amendment No. 1 to Credit Agreement, dated June 8, 2016, that certain Limited Consent and Amendment No. 2 to Credit Agreement, dated September 30, 2016, and that certain Amendment No. 3 dated January 19, 2017 (the "Credit Agreement").

B. The Borrower Parties have requested that the Majority Lenders and the Administrative Agent agree to certain amendments to the Credit Agreement;

C. The Administrative Agent and those Lenders constituting Majority Lenders have agreed to so amend the Credit Agreement on the terms and subject to the conditions set forth herein.

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

AMENDMENT TO CREDIT AGREEMENT

. Subject to the satisfaction of the conditions precedent set forth below, and in reliance on the representations, warranties, covenants and other agreements of the Borrower Parties contained herein, Section 8.8(b) of the Credit Agreement is hereby amended by amending and restating the second sentence thereof to read in its entirety as follows:

"Notwithstanding anything contained herein to the contrary, (i) the Borrower Parties shall not be required to comply with the minimum EBITDA level set forth in this Section 8.8(b) for the fiscal quarter ending June 30, 2017 and (ii) following the consummation of any Permitted Acquisition, the minimum EBITDA levels required pursuant to this Section 8.8(b) shall be calculated on a Pro Forma Basis."

REPRESENTATIONS AND WARRANTIES OF THE BORROWER PARTIES

. The Borrower Parties represent and warrant that:

(a) The Borrower Parties have the power and have taken all necessary action, corporate or otherwise, to authorize them to execute, deliver, and perform their respective obligations under this Amendment in accordance with the terms hereof and to consummate the transactions contemplated hereby.

(b) This Amendment has been duly executed and delivered by the Borrower Parties, and is a legal, valid and binding obligation of the Borrower Parties, enforceable in accordance with its terms except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting the enforcement of creditor's rights generally or by general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law).

(c) All of the representations and warranties of the Borrower Parties under this Agreement and the other Loan Documents shall be true and correct in all material respects (without duplication of any materiality qualifier contained herein or therein, as applicable), and there shall exist no Default or Event of Default, in each case after giving effect to this Amendment.

(d)The execution, delivery, and performance of this Amendment in accordance with its terms and the consummation of the transactions contemplated hereby do not and will not (i) violate any Applicable Law in any material respect, (ii) conflict with, result in a breach of or constitute a default under the certificate of incorporation or formation, by-laws, partnership agreement, operating agreement or other governing documents of any Borrower Party or under any Material Contract, or (iii) result in or require the creation or imposition of any Lien upon or with any assets or property of any Borrower Party except Permitted Liens. Additionally, each Borrower Party and each Subsidiary of a Borrower Party is otherwise in compliance, in all material respects, with all Applicable Laws and with all of the provisions of its certificate of incorporation or formation, by-laws, partnership agreement, operating agreement or other governing documents.

EFFECTIVENESS

. This Amendment shall be effective at the time that each of the conditions precedent set forth in this Section 3 shall have been met:

(a)Amendment. The Administrative Agent shall have received duly executed counterparts of this Amendment signed by the Borrower Parties and the Lenders constituting Majority Lenders.

(b)Representations and Warranties. The representations and warranties contained herein shall be true, correct and complete.

(c) No Default or Event of Default. No Default or Event of Default would result after giving effect to this Amendment.

REFERENCE TO AND EFFECT UPON THE LOAN DOCUMENTS

(a)Except as expressly modified hereby, all terms, conditions, covenants, representations and warranties contained in the Credit Agreement and the other Loan Documents, and all rights of the members of the Lender Group and all of the Obligations, shall remain in full force and effect. Each of the Borrower Parties hereby confirms that the Credit Agreement and the other Loan Documents are in full force and effect and that, as of the date hereof, no Borrower Party has any right of setoff, recoupment or other offset or any defense, claim or counterclaim with respect to any of the Obligations, the Credit Agreement or any other Loan Document.

(b)Except as expressly provided herein, the execution, delivery and effectiveness of this Amendment shall not directly or indirectly (i) constitute a consent or waiver of any past, present or future violations of any provisions of the Credit Agreement, this Amendment or any other Loan Document or (ii) amend, modify or operate as a waiver of any provision of the Credit Agreement or any other Loan Documents or any right, power or remedy of any member of the Lender Group.

(c)From and after the date hereof, (i) the term "Agreement" in the Credit Agreement, and all references to the Credit Agreement in any Loan Document, shall mean the Credit Agreement, as amended hereby, and (ii) the term "Loan Documents" in the Credit Agreement and the other Loan Documents shall include, without limitation, this Amendment and any agreements, instruments and other documents executed and/or delivered in connection herewith.

(d)Neither the Administrative Agent nor any other Lender has waived, is by this Amendment waiving or has any intention of waiving (regardless of any delay in exercising such rights and remedies) any Default or Event of Default which may be continuing on the date hereof or any Default or Event of Default which may occur after the date hereof, and neither the Administrative Agent nor any Lender has agreed to forbear with respect to any of its rights or remedies concerning any Defaults or Events of Default, which may have occurred or are continuing as of the date hereof, or which may occur after the date hereof.

(e)This Amendment shall not be deemed or construed to be a satisfaction, reinstatement, novation or release of the Credit Agreement or any other Loan Document.

SECTION 5. General Release; Indemnity; Covenant Not To Sue.

(a) In consideration of, among other things, the execution and delivery of this Amendment by the Administrative Agent and Lenders signatory hereto, the Borrower Parties, on behalf of themselves and their respective agents, representatives, officers, directors, advisors, employees, subsidiaries, affiliates, successors and assigns (collectively, "Releasors"), hereby forever waive, release and discharge, to the fullest extent permitted by law, each Releasee (as hereinafter defined) from any and all claims (including, without limitation, crossclaims, counterclaims, rights of set-off and recoupment), actions, causes of action, suits, debts, accounts, interests, liens, promises, warranties, damages and consequential damages, demands, agreements, bonds, bills, specialties, covenants, controversies, variances, trespasses, judgments, executions, costs, expenses or claims whatsoever (collectively, the "Claims") that such Releasor now has or hereafter may have, of whatsoever nature and kind, whether known or unknown, whether now existing or hereafter arising, whether arising at law or in equity, against any or all members of the Lender Group, any of the foregoing parties in any other capacity and each of their respective affiliates, subsidiaries, shareholders and "controlling persons" (within the meaning of the federal securities laws), and their respective successors and assigns and each and all of the officers, directors, employees, agents, attorneys and other representatives of each of the foregoing (collectively, the "Releasees"), in each case based in whole or in part on facts, whether or not now known, existing on or before the date hereof, in each case that relate to, arise out of or otherwise are in connection with: (i) any or all of the Loan Documents or transactions contemplated thereby or any actions or omissions in connection therewith, (ii) any aspect of the dealings or relationships between or among the Borrower and the other Borrower Parties, on the one hand, and any or all members of the Lender Group, on the other hand, relating to any or all of the documents, transactions, actions or omissions referenced in clause (i) hereof, or (iii) any aspect of the dealings or relationships between or among any or all of the equity holders of the Borrower Parties, on the one hand, and the members of the Lender Group, on the other hand, but only to the extent such dealings or relationships relate to any or all of the documents, transactions, actions or omissions referenced in clause (i) hereof. The receipt by the Borrower or any other Borrower Party of any Loans or other advances made by any member of the Lender Group after the date hereof shall constitute a ratification, adoption and confirmation by such party of the foregoing general release of all Claims against the Releasees which are based in whole or in part on facts, whether or not now known or unknown, existing on or prior to the date of receipt by the Borrower or any other Borrower Party of any such Loans or other advances.

(b) The Borrower hereby agrees that it shall be obligated to indemnify and hold the Releasees harmless with respect to any and all liabilities, obligations, losses, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever incurred by the Releasees, or any of them, whether direct, indirect or consequential, arising from or in connection with the negotiation, preparation, execution, delivery, performance, administration and enforcement of the Credit Agreement, the other Loan Documents, this Amendment or any other document executed and/or delivered in connection herewith or therewith; provided, that the Borrower shall have no obligation to indemnify or hold harmless any Releasee hereunder with respect to liabilities to the extent they result from the gross negligence or willful misconduct of that Releasee as determined by a court of competent jurisdiction by a final and nonappealable judgment. If and to the extent that the foregoing undertaking may be unenforceable for any reason, the Borrower agrees to make the maximum contribution to the payment and satisfaction thereof which is permissible under applicable law.

(c) In entering into this Amendment, the Borrower Parties have consulted with, and has been represented by, legal counsel and expressly disclaims any reliance on any representations, acts or omissions by any of the Releasees made on or before the date hereof and hereby agree and acknowledge that the validity and effectiveness of the releases set forth above do not depend in any way on any such representations, acts and/or omissions or the accuracy, completeness or validity hereof.

(d) The Borrower Parties hereby absolutely, unconditionally and irrevocably covenants and agrees with and in favor of each Releasee that it will not sue (at law, in equity, in any regulatory proceeding or otherwise) any Releasee on the basis of any Claim released, remised and discharged pursuant to Section 5(a) hereof. If any Releasor violates the foregoing covenant, the Borrower agrees to pay, in addition to such other damages as any Releasee may sustain as a result of such violation, all attorneys' fees and out-of-pocket expenses incurred by any Releasee as a result of such violation.

(e) The provisions of this Section 5 shall survive the termination of this Amendment, the Credit Agreement, the other Loan Documents and payment in full of the Obligations.

Construction

. This Amendment and all other agreements and documents executed and/or delivered in connection herewith have been prepared through the joint efforts of all of the parties hereto. Neither the provisions of this Amendment or any such other agreements and documents nor any alleged ambiguity therein shall be interpreted or resolved against any party on the ground that such party or its counsel drafted this Amendment or such other agreements and documents, or based on any other rule of strict construction. Each of the parties hereto represents and declares that such party has carefully read this Amendment and all other agreements and documents executed in connection herewith, and that such party knows the contents thereof and signs the same freely and voluntarily. The parties hereto acknowledge that they have been represented by legal counsel of their own choosing in negotiations for and preparation of this Amendment and all other agreements and documents executed in connection herewith and that each of them has read the same and had their contents fully explained by such counsel and is fully aware of their contents and legal effect. If any matter is left to the decision, right, requirement, request, determination, judgment, opinion, approval, consent, waiver, satisfaction, acceptance, agreement, option or discretion of any member of the Lender Group or its employees, counsel or agents in the Credit Agreement or any other Loan Documents, unless otherwise expressly set forth in the Credit Agreement or such Loan Document, such action shall be deemed to be exercisable by such member of the Lender Group or such other Person in its sole and absolute discretion and according to standards established in its sole and absolute discretion. Without limiting the generality of the foregoing, "option" and "discretion" shall be implied by the use of the words "if" and "may."

COSTS AND EXPENSES

. As provided in Section 10.2 of the Credit Agreement, the Borrower Parties agree to reimburse the Administrative Agent for all reasonable and documented out-of-pocket costs and expenses, including the reasonable fees and disbursements of counsel, incurred by the Administrative Agent in connection with this Amendment.

GOVERNING LAW

. All matters arising out of, in connection with or relating to this Amendment, including, without limitation, its validity, interpretation, construction, performance and enforcement (including, without limitation, any claims sounding in contract or tort law arising out of the subject matter hereof and any determinations with respect to post-judgment interest), shall be construed in accordance with and governed by the laws of the State of New York.

CONSENT TO JURISDICTION

. FOR PURPOSES OF ANY LEGAL ACTION OR PROCEEDING BROUGHT BY ANY MEMBER OF THE LENDER GROUP WITH RESPECT TO THIS AMENDMENT, EACH BORROWER PARTY HEREBY IRREVOCABLY SUBMITS TO THE PERSONAL JURISDICTION OF THE FEDERAL AND STATE COURTS SITTING IN THE COUNTY OF NEW YORK, STATE OF NEW YORK AND HEREBY IRREVOCABLY DESIGNATES AND APPOINTS, AS ITS AUTHORIZED AGENT FOR SERVICE OF PROCESS IN THE STATE OF NEW YORK, THE BORROWER, OR SUCH OTHER PERSON AS SUCH BORROWER PARTY SHALL DESIGNATE HEREAFTER BY WRITTEN NOTICE GIVEN TO THE ADMINISTRATIVE AGENT. THE CONSENT TO JURISDICTION HEREIN SHALL BE EXCLUSIVE; PROVIDED THAT THE LENDER GROUP, OR ANY OF THEM, RETAINS THE RIGHT TO BRING PROCEEDINGS AGAINST ANY BORROWER PARTY IN THE COURTS OF ANY OTHER JURISDICTION IN CONNECTION WITH THE EXERCISE OF ANY RIGHTS UNDER ANY SECURITY DOCUMENT OR THE ENFORCEMENT OF ANY JUDGMENT. THE LENDER GROUP SHALL FOR ALL PURPOSES AUTOMATICALLY, AND WITHOUT ANY ACT ON THEIR PART, BE ENTITLED TO TREAT SUCH DESIGNEE OF EACH BORROWER PARTY AS THE AUTHORIZED AGENT TO RECEIVE FOR AND ON BEHALF OF SUCH BORROWER PARTY SERVICE OF WRITS, OR SUMMONS OR OTHER LEGAL PROCESS IN THE STATE OF NEW YORK, WHICH SERVICE SHALL BE DEEMED EFFECTIVE PERSONAL SERVICE ON SUCH BORROWER PARTY SERVED WHEN DELIVERED, WHETHER OR NOT SUCH AGENT GIVES NOTICE TO SUCH BORROWER PARTY; AND DELIVERY OF SUCH SERVICE TO ITS AUTHORIZED AGENT SHALL BE DEEMED TO BE MADE WHEN PERSONALLY DELIVERED OR THREE (3) BUSINESS DAYS AFTER MAILING BY REGISTERED OR CERTIFIED MAIL ADDRESSED TO SUCH AUTHORIZED AGENT. EACH BORROWER PARTY FURTHER IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL TO SUCH BORROWER PARTY AT THE ADDRESS SET FORTH IN THE CREDIT AGREEMENT, SUCH SERVICE TO BECOME EFFECTIVE THREE (3) BUSINESS DAYS AFTER SUCH MAILING. IN THE EVENT THAT, FOR ANY REASON, SUCH AGENT OR ITS SUCCESSORS SHALL NO LONGER SERVE AS AGENT OF EACH BORROWER PARTY TO RECEIVE SERVICE OF PROCESS IN THE STATE OF NEW YORK, EACH BORROWER PARTY SHALL SERVE AND ADVISE THE ADMINISTRATIVE AGENT THEREOF SO THAT AT ALL TIMES EACH BORROWER

PARTY WILL MAINTAIN AN AGENT TO RECEIVE SERVICE OF PROCESS IN THE STATE OF NEW YORK ON BEHALF OF SUCH BORROWER PARTY WITH RESPECT TO THIS AMENDMENT AND ALL OTHER LOAN DOCUMENTS. IN THE EVENT THAT, FOR ANY REASON, SERVICE OF LEGAL PROCESS CANNOT BE MADE IN THE MANNER DESCRIBED ABOVE, SUCH SERVICE MAY BE MADE IN SUCH MANNER AS PERMITTED BY LAW.

CONSENT TO VENUE

. EACH BORROWER PARTY HEREBY IRREVOCABLY WAIVES ANY OBJECTION IT WOULD MAKE NOW OR HEREAFTER FOR THE LAYING OF VENUE OF ANY SUIT, ACTION, OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AMENDMENT BROUGHT IN THE FEDERAL COURTS OF THE UNITED STATES SITTING IN NEW YORK COUNTY, NEW YORK, AND HEREBY IRREVOCABLY WAIVES ANY CLAIM THAT ANY SUCH SUIT, ACTION, OR PROCEEDING HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

WAIVER OF JURY TRIAL

. EACH BORROWER PARTY, THE ADMINISTRATIVE AGENT AND EACH LENDER PARTY HERETO, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, WAIVES, AND OTHERWISE AGREES NOT TO REQUEST, A TRIAL BY JURY IN ANY COURT AND IN ANY ACTION, PROCEEDING OR COUNTERCLAIM OF ANY TYPE IN WHICH ANY BORROWER PARTY, ANY MEMBER OF THE LENDER GROUP OR ANY OF THEIR RESPECTIVE SUCCESSORS OR ASSIGNS IS A PARTY, AS TO ALL MATTERS AND THINGS ARISING DIRECTLY OR INDIRECTLY OUT OF THIS AMENDMENT AND THE RELATIONS AMONG THE PARTIES LISTED IN THIS AMENDMENT.

HEADINGS

. Headings used in this Amendment are for convenience only and shall not affect the interpretation of any provision hereof.

LOAN DOCUMENT

. This Amendment shall constitute a Loan Document. For the avoidance of doubt, any breach of the covenants contained in this Amendment shall be an Event of Default under the Credit Agreement.

REAFFIRMATION

. Each Borrower Party, as debtor, grantor, mortgagor, pledgor, guarantor, assignor, or in other similar capacities in which such Borrower Party grants liens or security interests in its properties or otherwise acts as accommodation party, guarantor or indemnitor, as the case may be, in any case under the Loan Documents, hereby (i) acknowledges, ratifies and confirms that all Obligations constitute valid and existing "Obligations" under the Credit Agreement (as amended by this Amendment), and (ii) ratifies and confirms that (x) any and all Loan Documents to which it is a party and (y) its respective guarantees, pledges, grants of security interests and other similar rights or obligations, as applicable, under each of the Loan Documents to which it is party, remain in full force and effect notwithstanding the effectiveness of this Amendment to secure all of the Obligations arising under or pursuant to and as defined in the Credit Agreement as amended by this Amendment. Without limiting the generality of the foregoing, each Credit Party further agrees (A) that any reference to "Obligations" contained in any Loan Documents shall include, without limitation, the "Obligations" as such term is defined in the Credit Agreement (as amended by this Amendment) and (B) that the related guarantees and grants of security contained in such Loan Documents shall include and extend to such Obligations.

SEVERABILITY

. Any provision of this Amendment which is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof in that jurisdiction or affecting the validity or enforceability of such provision in any other jurisdiction.

COUNTERPARTS

. This Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute but one and the same agreement. In proving this Amendment or any other Loan Document in any judicial proceedings, it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom such enforcement is sought. Any signatures hereto delivered by Electronic Transmission shall be deemed an original signature hereto.

Assignments; No Third Party Beneficiaries

. This Amendment shall be binding upon and inure to the benefit of the Borrower, the other Borrower Parties, each member of the Lender Group and their respective successors and assigns; provided, that the Borrower shall be entitled to delegate any of its duties hereunder or assign any of its rights or remedies set forth in this Amendment without the prior written consent of Administrative Agent in its sole discretion. No Person other than the Borrower, the other Borrower Parties and the Lender Group and, in the case of Section 5 hereof, the Releasees, shall have any rights hereunder or be entitled to rely on this Amendment and all third-party beneficiary rights (other than the rights of the Releasees under Section 5 hereof) are hereby expressly disclaimed.

[Signature pages to follow]

IN WITNESS WHEREOF, each of the undersigned has caused this Amendment to be duly executed and delivered as of the date first above written.

BORROWER PARTIES:

FLUENT, LLC,
as the Borrower

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

COGINT, INC.,
as the Parent

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Chief Executive Officer

AMERICAN PRIZE CENTER LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

DELIVER TECHNOLOGY LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

FIND DREAM JOBS, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

[Signature Page to Amendment]

FLUENT MEDIA LABS, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

REWARD ZONE USA LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

REWARDSFLOW LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

SAMPLES & SAVINGS, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

SEARCH WORKS MEDIA, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

SEA OF SAVINGS LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

[Signature Page to Amendment]

IDI HOLDINGS, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

INTERACTIVE DATA, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

Q INTERACTIVE, LLC,
as a Subsidiary Guarantor

By: Cogint, Inc., its sole member

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Chief Executive Officer

CLICKGEN, LLC,
as a Subsidiary Guarantor

By: Q Interactive, LLC, its sole member
By: Cogint, Inc., its sole member

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Chief Executive Officer

[Signature Page to Amendment]

NETCREATIONS, LLC,
as a Subsidiary Guarantor

By: ClickGen, LLC, its sole member
By: Q Interactive, LLC, its sole member
By: Cogint, Inc., its sole member

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Chief Executive Officer

BXY VENTURES, LLC,
as a Subsidiary Guarantor

By: NetCreations, LLC, its sole member
By: ClickGen, LLC, its sole member
By: Q Interactive, LLC, its sole member
By: Cogint, Inc., its sole member

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Chief Executive Officer

COGINT TECHNOLOGIES, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Chief Executive Officer

EASE WINS, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Chief Executive Officer

[Signature Page to Amendment]

MAIN SOURCE MEDIA, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Chief Executive Officer

IDI VERIFIED, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Chief Executive Officer

BIG PUSH MEDIA, LLC

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Chief Executive Officer

HVGUS, LLC

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Chief Executive Officer

INBOX PAL, LLC

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Chief Executive Officer

FIND DREAM SCHOOLS, LLC

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Chief Executive Officer

[Signature Page to Amendment]

IN WITNESS WHEREOF, each of the undersigned has caused this Amendment to be duly executed and delivered as of the date first above written.

ADMINISTRATIVE AGENT:

WHITEHORSE FINANCE, INC.,
as Administrative Agent

By: /s/ Edward J. Giordano

Name: Ed Giordano

Title: Duly Authorized Signatory

[Signature Page to Amendment]

WHITEHORSE FINANCE CREDIT I, LLC,
as a Lender

By: Whitehorse Finance, Inc., its designated manager

By: /s/ Edward J. Giordano

Name: Ed Giordano

Title: Duly Authorized Signatory

WHITEHORSE SMA FUNDING I, LLC,
as a Lender

By: /s/ Richard Siegel

Name: Richard Siegel

Title: Duly Authorized Signatory

H.I.G. WHITEHORSE SMA ABF, L.P.,
as a Lender

By: /s/ Richard Siegel

Name: Richard Siegel

Title: Duly Authorized Signatory

[Signature Page to Amendment]

WHITEHORSE ONSHORE CREDIT OPPORTUNITIES I, LLC,
as a Lender

By: /s/ Richard Siegel
Name: Richard Siegel
Title: Duly Authorized Signatory

WHITEHORSE OFFSHORE CREDIT OPPORTUNITIES I, LLC,
as a Lender

By: /s/ Richard Siegel
Name: Richard Siegel
Title: Duly Authorized Signatory

H.I.G. WHITEHORSE TRINITY CREDIT, LLC,
as a Lender

By: H.I.G.-GPII, Inc., its manager

By: /s/ Richard Siegel
Name: Richard Siegel
Title: Duly Authorized Signatory

[Signature Page to Amendment]

AMENDMENT NO. 5 TO CREDIT AGREEMENT

This AMENDMENT NO. 5 TO CREDIT AGREEMENT (this "Amendment") is entered into as of November 3, 2017 by and among COGINT, INC. (f/k/a IDI, Inc.), a Delaware corporation, as parent (the "Parent"), FLUENT, LLC, a Delaware limited liability company ("Borrower"), the other borrower parties party hereto (together with the Parent and the Borrower, the "Borrower Parties"), WHITEHORSE FINANCE, INC., as Administrative Agent (in such capacity, together with its successors and assigns, "Administrative Agent"), and the lenders party hereto (collectively, the "Lenders"). Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Credit Agreement (as defined below).

RECITALS

A. The Borrower, the Parent, Administrative Agent and the Lenders, together with the persons party thereto from time to time as Guarantors, are party to that certain Credit Agreement, dated as of December 8, 2015, as amended by that certain Limited Consent and Amendment No. 1 to Credit Agreement, dated June 8, 2016, that certain Limited Consent and Amendment No. 2 to Credit Agreement, dated September 30, 2016, that certain Amendment No. 3 dated January 19, 2017, and that certain Amendment No. 4 dated August 7, 2017 (the "Credit Agreement").

B. The Borrower Parties have requested that the Majority Lenders and the Administrative Agent agree to certain amendments to the Credit Agreement.

C. The Administrative Agent and those Lenders constituting Majority Lenders have agreed to so amend the Credit Agreement on the terms and subject to the conditions set forth herein.

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

AMENDMENT TO CREDIT AGREEMENT

. Subject to the satisfaction of the conditions precedent set forth below, and in reliance on the representations, warranties, covenants and other agreements of the Borrower Parties contained herein:

(a) The definition of "EBITDA" in Section 1.1 of the Credit Agreement is hereby amended and restated to read in its entirety as follows:

"EBITDA" shall mean, with respect to any Person and its Subsidiaries for any period, determined on a consolidated basis in accordance with GAAP, the Net Income for such period, plus, without duplication and to the extent deducted in determining Net Income for such period:

- (a) income taxes;
- (b) Interest Expense;
- (c) depreciation and amortization expense;
- (d) fees, costs and expenses incurred in connection with the Loan and negotiating and documenting the Loan Documents, including without limitation the Closing Fee and the Agency Fee, in an aggregate amount disclosed to the Administrative Agent prior to the Agreement Date;
- (e) all non-cash expenses and losses calculated in accordance with GAAP related to: (i) all non-recurring deferred financing costs written off and premiums paid or other expenses incurred directly in connection with any early extinguishment of Funded Debt and any net loss attributable to any write-off or forgiveness of Funded Debt, (ii) any non-cash expense or loss arising from the application of purchase accounting adjustments as a result of any Permitted Acquisition, (iii) non-cash expenses arising from grants to employees, officers or directors of stock appreciation rights,

stock options, restricted stock or restricted stock units, (iv) non-cash expenses arising from the issuance of Equity Interests to vendors in the ordinary course of business and (v) other non-cash expenses and charges resulting from impairment charges and including losses against book value on the disposal or write-off of any business or assets (including pursuant to any sale/leaseback transaction), provided that, if any such non-cash expense or loss represents an accrual or reserve for potential cash items in any future period, the cash payment thereof in such future period shall be subtracted from "EBITDA" in the period in which such payment is made;

(f) unrealized losses resulting from mark to market accounting for hedging activities permitted under this Agreement, calculated in accordance with GAAP;

(g) fees and expenses (including expenses paid for advisory services) in an aggregate amount not to exceed (i) \$1,000,000 in any four fiscal-quarter period, to the extent incurred in connection with Investments permitted under Section 8.5(d), (g), (h) and (i), Permitted Acquisitions, dispositions permitted under Section 8.7(b)(vi), the incurrence of permitted Funded Debt, amendments and other modifications to the Loan Documents after the Agreement Date, and the offering or issuance of Equity Interests, in each case to the extent consummated during such period, plus (ii) all such fees and expenses funded with (A) the Net Cash Proceeds of Funded Debt permitted under Section 8.1(a), (c), (d), (g) and (i), and (B) the Net Cash Proceeds of the issuance of Equity Interests permitted hereunder, to the extent the Net Cash Proceeds thereof are not otherwise required to prepay the Loans in accordance with Section 2.6(c);

(h) to the extent incurred by Parent, fees, costs and expenses incurred in connection with the execution of that certain Investment Agreement entered into in September 2017 with BlueFocus International Limited and consummation of the transactions contemplated thereby, in an aggregate amount not to exceed for the fiscal quarter ending June 30, 2017, \$1,540,000; for the fiscal quarter ending September 30, 2017, \$2,360,000; and for the nine-month period commencing October 1, 2017 and ending June 30, 2018, \$1,200,000;

(i) to the extent incurred by Parent, fees, costs and expenses incurred in connection with those matters referenced in a letter from the Borrower to the Lender Group dated as of January 17, 2017 and delivered pursuant to Section 7.6(a) of this Agreement, in an aggregate amount not to exceed for the fiscal quarter ending December 31, 2016, \$1,070,000; for the fiscal quarter ending March 31, 2017, \$500,000; for the fiscal quarter ending June 30, 2017, \$8,320,000; for the fiscal quarter ending September 30, 2017, \$340,000;

minus

(j) unrealized gains resulting from mark to market accounting for hedging activities permitted under this Agreement, calculated in accordance with GAAP;

(k) any non-cash gains increasing Net Income;

(l) to the extent the amount of any non-cash expense or loss is added back to EBITDA pursuant to clause (e) above, the cash payment in respect thereof;

(m) amounts paid by the Borrower to Parent under and to the extent permitted by Section 8.4(d)(v);

(n) all capitalized labor costs;

(o) costs and expenses relating to internally used software;

(p) capitalized costs relating to the defense of intellectual property;

(b) The definition of “Net Income” in Section 1.1 of the Credit Agreement is hereby amended by adding the following to the end of clause (a) thereof: “except as expressly permitted to be added back to Net Income pursuant to clauses (h) and (i) of the definition of “EBITDA”,”

(c) The definition of “Surplus ECF” is hereby amended by inserting “, 8.4(i)” immediately following “8.4(g)”.

(d) Section 8.4 of the Credit Agreement is hereby amended by:

(i) Deleting the word “and” preceding clause (h); and

(ii) Adding the following clause (i) after the words “otherwise applied” in clause (h):

“, and (i) the Borrower may distribute to Parent an aggregate amount not to exceed for the fiscal quarter ending December 31, 2017, \$4,000,000; for the fiscal quarter ending March 31, 2018, \$4,500,000; for the fiscal quarter ending June 30, 2018, \$3,500,000; and for the fiscal quarter ending September 30, 2018, \$1,000,000, so long as, in each case, (x) no Event of Default exists or would result from any such distribution, (y) after giving effect to each such distribution, the Borrower Parties are in compliance on a Pro Forma Basis with the Financial Covenants and (z) after giving effect to each such distribution, the minimum cash balance (including Cash Equivalents) of the Borrower in the Blocked Accounts is not less than \$10,000,000 (or, after giving effect to each such distribution made during the fiscal quarter ending December 31, 2017, \$7,500,000).”

(e) Section 8.8(b) of the Credit Agreement is hereby amended by replacing the chart therein with the following:

Quarter Ending	Minimum Parent EBITDA
December 31, 2015	\$11,763,933
March 31, 2016	\$13,162,520
June 30, 2016	\$13,764,693
September 30, 2016	\$4,100,000
December 31, 2016	\$2,900,000
March 31, 2017	\$5,500,000
June 30, 2017	\$8,700,000
September 30, 2017	\$14,200,000
December 31, 2017	\$15,500,000
March 31, 2018	\$17,200,000
June 30, 2018	\$20,500,000
September 30, 2018	\$24,100,000
December 31, 2018 and each fiscal quarter thereafter	\$28,300,000

(f) Section 8.22 of the Credit Agreement is hereby amended by inserting “8.4(i)” immediately following “8.4(g)”.

REPRESENTATIONS AND WARRANTIES OF THE BORROWER PARTIES

. The Borrower Parties represent and warrant that:

(a) The Borrower Parties have the power and have taken all necessary action, corporate or otherwise, to authorize them to execute, deliver, and perform their respective obligations under this Amendment in accordance with the terms hereof and to consummate the transactions contemplated hereby.

(b) This Amendment has been duly executed and delivered by the Borrower Parties, and is a legal, valid and binding obligation of the Borrower Parties, enforceable in accordance with its terms except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting the enforcement of creditor’s rights generally or by general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law).

(c) All of the representations and warranties of the Borrower Parties under this Agreement and the other Loan Documents shall be true and correct in all material respects (without duplication of any materiality qualifier contained herein or therein, as applicable), and there shall exist no Default or Event of Default, in each case after giving effect to this Amendment.

(d) The execution, delivery, and performance of this Amendment in accordance with its terms and the consummation of the transactions contemplated hereby do not and will not (i) violate any Applicable Law in any material respect, (ii) conflict with, result in a breach of or constitute a default under the certificate of incorporation or formation, by-laws, partnership agreement, operating agreement or other governing documents of any Borrower Party or under any Material Contract, or (iii) result in or require the creation or imposition of any Lien upon or with any assets or property of any Borrower Party except Permitted Liens. Additionally, each Borrower Party and each Subsidiary of a Borrower Party is otherwise in compliance, in all material respects, with all Applicable Laws and with all of the provisions of its certificate of incorporation or formation, by-laws, partnership agreement, operating agreement or other governing documents.

EFFECTIVENESS

. This Amendment shall be effective at the time that each of the conditions precedent set forth in this Section 3 shall have been met:

(a) Amendment. The Administrative Agent shall have received duly executed counterparts of this Amendment signed by the Borrower Parties and the Lenders constituting Majority Lenders.

(b) Payment of Fees. The Borrower Parties shall have paid to the Administrative Agent, on behalf of each Lender that shall have delivered an executed signature page to this Amendment, a non-refundable amendment fee in an amount equal to 0.25% of the unpaid principal balance of the Term Loans held by each such Lender as of November 3, 2017.

(c) Payment of Legal Fees and Expenses. The Borrower Parties shall have paid all outstanding reasonable fees and expenses of the Administrative Agent and its professional advisors (including, without limitation, Latham & Watkins LLP).

(d) Representations and Warranties. The representations and warranties contained herein shall be true, correct and complete.

(e) No Default or Event of Default. No Default or Event of Default would result after giving effect to this Amendment.

REFERENCE TO AND EFFECT UPON THE LOAN DOCUMENTS

(a) Except as expressly modified hereby, all terms, conditions, covenants, representations and warranties contained in the Credit Agreement and the other Loan Documents, and all rights of the members of the Lender Group and all of the Obligations, shall remain in full force and effect. Each of the Borrower Parties hereby confirms that the Credit Agreement and the other Loan Documents are in full force and effect and that, as of the date hereof, no Borrower Party has any right of setoff, recoupment or other offset or any defense, claim or counterclaim with respect to any of the Obligations, the Credit Agreement or any other Loan Document.

(b) Except as expressly provided herein, the execution, delivery and effectiveness of this Amendment shall not directly or indirectly (i) constitute a consent or waiver of any past, present or future violations of any provisions of the Credit Agreement, this Amendment or any other Loan Document or (ii) amend, modify or operate as a waiver of any provision of the Credit Agreement or any other Loan Documents or any right, power or remedy of any member of the Lender Group.

(c) From and after the date hereof, (i) the term "Agreement" in the Credit Agreement, and all references to the Credit Agreement in any Loan Document, shall mean the Credit Agreement, as amended hereby, and (ii) the term "Loan Documents" in the Credit Agreement and the other Loan Documents shall include, without limitation, this Amendment and any agreements, instruments and other documents executed and/or delivered in connection herewith.

(d) Neither the Administrative Agent nor any other Lender has waived, is by this Amendment waiving or has any intention of waiving (regardless of any delay in exercising such rights and remedies) any Default or Event of Default which may be continuing on the date hereof or any Default or Event of Default which may occur after the date hereof, and neither the Administrative Agent nor any Lender has agreed to forbear with respect to any of its rights or remedies concerning any Defaults or Events of Default, which may have occurred or are continuing as of the date hereof, or which may occur after the date hereof.

(e) This Amendment shall not be deemed or construed to be a satisfaction, reinstatement, novation or release of the Credit Agreement or any other Loan Document.

SECTION 5. General Release; Indemnity; Covenant Not To Sue.

(a) In consideration of, among other things, the execution and delivery of this Amendment by the Administrative Agent and Lenders signatory hereto, the Borrower Parties, on behalf of themselves and their respective agents, representatives, officers, directors, advisors, employees, subsidiaries, affiliates, successors and assigns (collectively, "Releasors"), hereby forever waive, release and discharge, to the fullest extent permitted by

law, each Releasee (as hereinafter defined) from any and all claims (including, without limitation, crossclaims, counterclaims, rights of set-off and recoupment), actions, causes of action, suits, debts, accounts, interests, liens, promises, warranties, damages and consequential damages, demands, agreements, bonds, bills, specialties, covenants, controversies, variances, trespasses, judgments, executions, costs, expenses or claims whatsoever (collectively, the "Claims") that such Releasor now has or hereafter may have, of whatsoever nature and kind, whether known or unknown, whether now existing or hereafter arising, whether arising at law or in equity, against any or all members of the Lender Group, any of the foregoing parties in any other capacity and each of their respective affiliates, subsidiaries, shareholders and "controlling persons" (within the meaning of the federal securities laws), and their respective successors and assigns and each and all of the officers, directors, employees, agents, attorneys and other representatives of each of the foregoing (collectively, the "Releasees"), in each case based in whole or in part on facts, whether or not now known, existing on or before the date hereof, in each case that relate to, arise out of or otherwise are in connection with: (i) any or all of the Loan Documents or transactions contemplated thereby or any actions or omissions in connection therewith, (ii) any aspect of the dealings or relationships between or among the Borrower and the other Borrower Parties, on the one hand, and any or all members of the Lender Group, on the other hand, relating to any or all of the documents, transactions, actions or omissions referenced in clause (i) hereof, or (iii) any aspect of the dealings or relationships between or among any or all of the equity holders of the Borrower Parties, on the one hand, and the members of the Lender Group, on the other hand, but only to the extent such dealings or relationships relate to any or all of the documents, transactions, actions or omissions referenced in clause (i) hereof. The receipt by the Borrower or any other Borrower Party of any Loans or other advances made by any member of the Lender Group after the date hereof shall constitute a ratification, adoption and confirmation by such party of the foregoing general release of all Claims against the Releasees which are based in whole or in part on facts, whether or not now known or unknown, existing on or prior to the date of receipt by the Borrower or any other Borrower Party of any such Loans or other advances.

(b) The Borrower hereby agrees that it shall be obligated to indemnify and hold the Releasees harmless with respect to any and all liabilities, obligations, losses, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever incurred by the Releasees, or any of them, whether direct, indirect or consequential, arising from or in connection with the negotiation, preparation, execution, delivery, performance, administration and enforcement of the Credit Agreement, the other Loan Documents, this Amendment or any other document executed and/or delivered in connection herewith or therewith; provided, that the Borrower shall have no obligation to indemnify or hold harmless any Releasee hereunder with respect to liabilities to the extent they result from the gross negligence or willful misconduct of that Releasee as determined by a court of competent jurisdiction by a final and nonappealable judgment. If and to the extent that the foregoing undertaking may be unenforceable for any reason, the Borrower agrees to make the maximum contribution to the payment and satisfaction thereof which is permissible under applicable law.

(c) In entering into this Amendment, the Borrower Parties have consulted with, and has been represented by, legal counsel and expressly disclaims any reliance on any representations, acts or omissions by any of the Releasees made on or before the date hereof and hereby agree and acknowledge that the validity and effectiveness of the releases set forth above do not depend in any way on any such representations, acts and/or omissions or the accuracy, completeness or validity hereof.

(d) The Borrower Parties hereby absolutely, unconditionally and irrevocably covenants and agrees with and in favor of each Releasee that it will not sue (at law, in equity, in any regulatory proceeding or otherwise) any Releasee on the basis of any Claim released, remised and discharged pursuant to Section 5(a) hereof. If any Releasor violates the foregoing covenant, the Borrower agrees to pay, in addition to such other damages as any Releasee may sustain as a result of such violation, all attorneys' fees and out-of-pocket expenses incurred by any Releasee as a result of such violation.

(e) The provisions of this Section 5 shall survive the termination of this Amendment, the Credit Agreement, the other Loan Documents and payment in full of the Obligations.

CONSTRUCTION

. This Amendment and all other agreements and documents executed and/or delivered in connection herewith have been prepared through the joint efforts of all of the parties hereto. Neither the provisions of this Amendment or any such other agreements and documents nor any alleged ambiguity therein shall be interpreted or resolved against any party on the ground that such party or its counsel drafted this Amendment or

such other agreements and documents, or based on any other rule of strict construction. Each of the parties hereto represents and declares that such party has carefully read this Amendment and all other agreements and documents executed in connection herewith, and that such party knows the contents thereof and signs the same freely and voluntarily. The parties hereto acknowledge that they have been represented by legal counsel of their own choosing in negotiations for and preparation of this Amendment and all other agreements and documents executed in connection herewith and that each of them has read the same and had their contents fully explained by such counsel and is fully aware of their contents and legal effect. If any matter is left to the decision, right, requirement, request, determination, judgment, opinion, approval, consent, waiver, satisfaction, acceptance, agreement, option or discretion of any member of the Lender Group or its employees, counsel or agents in the Credit Agreement or any other Loan Documents, unless otherwise expressly set forth in the Credit Agreement or such Loan Document, such action shall be deemed to be exercisable by such member of the Lender Group or such other Person in its sole and absolute discretion and according to standards established in its sole and absolute discretion. Without limiting the generality of the foregoing, "option" and "discretion" shall be implied by the use of the words "if" and "may."

COSTS AND EXPENSES

. As provided in Section 10.2 of the Credit Agreement, the Borrower Parties agree to reimburse the Administrative Agent for all reasonable and documented out-of-pocket costs and expenses, including the reasonable fees and disbursements of counsel, incurred by the Administrative Agent in connection with this Amendment.

GOVERNING LAW

. All matters arising out of, in connection with or relating to this Amendment, including, without limitation, its validity, interpretation, construction, performance and enforcement (including, without limitation, any claims sounding in contract or tort law arising out of the subject matter hereof and any determinations with respect to post-judgment interest), shall be construed in accordance with and governed by the laws of the State of New York.

CONSENT TO JURISDICTION

. FOR PURPOSES OF ANY LEGAL ACTION OR PROCEEDING BROUGHT BY ANY MEMBER OF THE LENDER GROUP WITH RESPECT TO THIS AMENDMENT, EACH BORROWER PARTY HEREBY IRREVOCABLY SUBMITS TO THE PERSONAL JURISDICTION OF THE FEDERAL AND STATE COURTS SITTING IN THE COUNTY OF NEW YORK, STATE OF NEW YORK AND HEREBY IRREVOCABLY DESIGNATES AND APPOINTS, AS ITS AUTHORIZED AGENT FOR SERVICE OF PROCESS IN THE STATE OF NEW YORK, THE BORROWER, OR SUCH OTHER PERSON AS SUCH BORROWER PARTY SHALL DESIGNATE HEREAFTER BY WRITTEN NOTICE GIVEN TO THE ADMINISTRATIVE AGENT. THE CONSENT TO JURISDICTION HEREIN SHALL BE EXCLUSIVE; PROVIDED THAT THE LENDER GROUP, OR ANY OF THEM, RETAINS THE RIGHT TO BRING PROCEEDINGS AGAINST ANY BORROWER PARTY IN THE COURTS OF ANY OTHER JURISDICTION IN CONNECTION WITH THE EXERCISE OF ANY RIGHTS UNDER ANY SECURITY DOCUMENT OR THE ENFORCEMENT OF ANY JUDGMENT. THE LENDER GROUP SHALL FOR ALL PURPOSES AUTOMATICALLY, AND WITHOUT ANY ACT ON THEIR PART, BE ENTITLED TO TREAT SUCH DESIGNEE OF EACH BORROWER PARTY AS THE AUTHORIZED AGENT TO RECEIVE FOR AND ON BEHALF OF SUCH BORROWER PARTY SERVICE OF WRITS, OR SUMMONS OR OTHER LEGAL PROCESS IN THE STATE OF NEW YORK, WHICH SERVICE SHALL BE DEEMED EFFECTIVE PERSONAL SERVICE ON SUCH BORROWER PARTY SERVED WHEN DELIVERED, WHETHER OR NOT SUCH AGENT GIVES NOTICE TO SUCH BORROWER PARTY; AND DELIVERY OF SUCH SERVICE TO ITS AUTHORIZED AGENT SHALL BE DEEMED TO BE MADE WHEN PERSONALLY DELIVERED OR THREE (3) BUSINESS DAYS AFTER MAILING BY REGISTERED OR CERTIFIED MAIL ADDRESSED TO SUCH AUTHORIZED AGENT. EACH BORROWER PARTY FURTHER IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL TO SUCH BORROWER PARTY AT THE ADDRESS SET FORTH IN THE CREDIT AGREEMENT, SUCH SERVICE TO BECOME EFFECTIVE THREE (3) BUSINESS DAYS AFTER SUCH MAILING. IN THE EVENT THAT, FOR ANY REASON, SUCH AGENT OR ITS SUCCESSORS SHALL NO LONGER SERVE AS AGENT OF EACH BORROWER PARTY TO RECEIVE SERVICE OF PROCESS IN THE STATE OF NEW YORK, EACH BORROWER PARTY SHALL SERVE AND ADVISE THE ADMINISTRATIVE AGENT THEREOF SO THAT AT ALL TIMES EACH BORROWER PARTY WILL MAINTAIN AN AGENT TO RECEIVE SERVICE OF PROCESS IN THE STATE OF NEW YORK ON BEHALF OF SUCH BORROWER PARTY WITH RESPECT TO THIS AMENDMENT AND ALL OTHER LOAN DOCUMENTS. IN THE EVENT THAT, FOR ANY REASON, SERVICE OF LEGAL PROCESS

CANNOT BE MADE IN THE MANNER DESCRIBED ABOVE, SUCH SERVICE MAY BE MADE IN SUCH MANNER AS PERMITTED BY LAW.

CONSENT TO VENUE

. EACH BORROWER PARTY HEREBY IRREVOCABLY WAIVES ANY OBJECTION IT WOULD MAKE NOW OR HEREAFTER FOR THE LAYING OF VENUE OF ANY SUIT, ACTION, OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AMENDMENT BROUGHT IN THE FEDERAL COURTS OF THE UNITED STATES SITTING IN NEW YORK COUNTY, NEW YORK, AND HEREBY IRREVOCABLY WAIVES ANY CLAIM THAT ANY SUCH SUIT, ACTION, OR PROCEEDING HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

WAIVER OF JURY TRIAL

. EACH BORROWER PARTY, THE ADMINISTRATIVE AGENT AND EACH LENDER PARTY HERETO, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, WAIVES, AND OTHERWISE AGREES NOT TO REQUEST, A TRIAL BY JURY IN ANY COURT AND IN ANY ACTION, PROCEEDING OR COUNTERCLAIM OF ANY TYPE IN WHICH ANY BORROWER PARTY, ANY MEMBER OF THE LENDER GROUP OR ANY OF THEIR RESPECTIVE SUCCESSORS OR ASSIGNS IS A PARTY, AS TO ALL MATTERS AND THINGS ARISING DIRECTLY OR INDIRECTLY OUT OF THIS AMENDMENT AND THE RELATIONS AMONG THE PARTIES LISTED IN THIS AMENDMENT.

HEADINGS

. Headings used in this Amendment are for convenience only and shall not affect the interpretation of any provision hereof.

LOAN DOCUMENT

. This Amendment shall constitute a Loan Document. For the avoidance of doubt, any breach of the covenants contained in this Amendment shall be an Event of Default under the Credit Agreement.

REAFFIRMATION

. Each Borrower Party, as debtor, grantor, mortgagor, pledgor, guarantor, assignor, or in other similar capacities in which such Borrower Party grants liens or security interests in its properties or otherwise acts as accommodation party, guarantor or indemnitor, as the case may be, in any case under the Loan Documents, hereby (i) acknowledges, ratifies and confirms that all Obligations constitute valid and existing "Obligations" under the Credit Agreement (as amended by this Amendment), and (ii) ratifies and confirms that (x) any and all Loan Documents to which it is a party and (y) its respective guarantees, pledges, grants of security interests and other similar rights or obligations, as applicable, under each of the Loan Documents to which it is party, remain in full force and effect notwithstanding the effectiveness of this Amendment to secure all of the Obligations arising under or pursuant to and as defined in the Credit Agreement as amended by this Amendment. Without limiting the generality of the foregoing, each Credit Party further agrees (A) that any reference to "Obligations" contained in any Loan Documents shall include, without limitation, the "Obligations" as such term is defined in the Credit Agreement (as amended by this Amendment) and (B) that the related guarantees and grants of security contained in such Loan Documents shall include and extend to such Obligations.

SEVERABILITY

. Any provision of this Amendment which is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof in that jurisdiction or affecting the validity or enforceability of such provision in any other jurisdiction.

COUNTERPARTS

. This Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute but one and the same agreement. In proving this Amendment or any other Loan Document in any judicial proceedings, it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom such enforcement is sought. Any signatures hereto delivered by Electronic Transmission shall be deemed an original signature hereto.

ASSIGNMENTS; NO THIRD PARTY BENEFICIARIES

. This Amendment shall be binding upon and inure to the benefit of the Borrower, the other Borrower Parties, each member of the Lender Group and their respective successors and assigns; provided, that the Borrower shall be entitled to delegate any of its duties hereunder or assign any of its rights or remedies set forth in this Amendment without the prior written consent of Administrative Agent in its sole discretion. No Person other than the Borrower, the other Borrower Parties and the Lender Group and, in the case of Section 5 hereof, the Releasees, shall have any rights hereunder or be entitled to

rely on this Amendment and all third-party beneficiary rights (other than the rights of the Releasees under Section 5 hereof) are hereby expressly disclaimed.

[Signature pages to follow]

IN WITNESS WHEREOF, each of the undersigned has caused this Amendment to be duly executed and delivered as of the date first above written.

BORROWER PARTIES:

FLUENT, LLC,
as the Borrower

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

COGINT, INC.,
as the Parent

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Chief Executive Officer

AMERICAN PRIZE CENTER LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

DELIVER TECHNOLOGY LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

FIND DREAM JOBS, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

FLUENT MEDIA LABS, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

[Signature Page to Amendment]

REWARD ZONE USA LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

REWARDSFLOW LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

SAMPLES & SAVINGS, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

SEARCH WORKS MEDIA, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

SEA OF SAVINGS LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

IDI HOLDINGS, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

INTERACTIVE DATA, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

[Signature Page to Amendment]

Q INTERACTIVE, LLC,
as a Subsidiary Guarantor

By: Fluent, LLC, its sole member

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

CLICKGEN, LLC,
as a Subsidiary Guarantor

By: Q Interactive, LLC, its sole member

By: Fluent, LLC, its sole member

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

NETCREATIONS, LLC,
as a Subsidiary Guarantor

By: ClickGen, LLC, its sole member

By: Q Interactive, LLC, its sole member

By: Fluent, LLC, its sole member

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

BXY VENTURES, LLC,
as a Subsidiary Guarantor

By: NetCreations, LLC, its sole member

By: ClickGen, LLC, its sole member

By: Q Interactive, LLC, its sole member

By: Fluent, LLC, its sole member

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

COGINT TECHNOLOGIES, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner

Name: Derek Dubner

Title: Manager

[Signature Page to Amendment]

EASE WINS, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

MAIN SOURCE MEDIA, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

IDI VERIFIED, LLC,
as a Subsidiary Guarantor

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

BIG PUSH MEDIA, LLC

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

HVGUS, LLC

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

INBOX PAL, LLC

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

FIND DREAM SCHOOLS, LLC

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

[Signature Page to Amendment]

RED VIOLET, INC.

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

FOREWARN, LLC

By: /s/ Derek Dubner
Name: Derek Dubner
Title: Manager

[Signature Page to Amendment]

IN WITNESS WHEREOF, each of the undersigned has caused this Amendment to be duly executed and delivered as of the date first above written.

ADMINISTRATIVE AGENT:

WHITEHORSE FINANCE, INC.,
as Administrative Agent

By: /s/ Edward J. Giordano

Name: Edward J. Giordano

Title: Duly Authorized Signatory

[Signature Page to Amendment]

WHITEHORSE FINANCE CREDIT I, LLC,
as a Lender

By: Whitehorse Finance, Inc., its designated manager

By: /s/ Edward J. Giordano
Name: Edward J. Giordano
Title: Duly Authorized Signatory

WHITEHORSE SMA FUNDING I, LLC,
as a Lender

By: /s/ Richard Siegel
Name: Richard Siegel
Title: Duly Authorized Signatory

H.I.G.WHITEHORSE SMA ABF, L.P.,
as a Lender

By: /s/ Richard Siegel
Name: Richard Siegel
Title: Duly Authorized Signatory

[Signature Page to Amendment]

WHITEHORSE ONSHORE CREDIT OPPORTUNITIES I, LLC,
as a Lender

By: /s/ Richard Siegel
Name: Richard Siegel
Title: Duly Authorized Signatory

WHITEHORSE OFFSHORE CREDIT OPPORTUNITIES I, LLC,
as a Lender

By: /s/ Richard Siegel
Name: Richard Siegel
Title: Duly Authorized Signatory

H.I.G. WHITEHORSE TRINITY CREDIT, LLC,
as a Lender

By: H.I.G.-GPII, Inc., its manager

By: /s/ Richard Siegel
Name: Richard Siegel
Title: Duly Authorized Signatory

[Signature Page to Amendment]

CERTIFICATIONS

I, Derek Dubner, certify that:

- (1) I have reviewed this Quarterly Report on Form 10-Q of Cogint, 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.

November 8, 2017

By: /s/ Derek Dubner
Derek Dubner
Chief Executive Officer
(Principal Executive Officer)

CERTIFICATIONS

I, Daniel MacLachlan, certify that:

- (1) I have reviewed this Quarterly Report on Form 10-Q of Cogint, 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.

November 8, 2017

By: /s/ Daniel MacLachlan
Daniel MacLachlan
Chief Financial Officer
(Principal Financial Officer)

**CERTIFICATION PURSUANT
TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the accompanying Quarterly Report on Form 10-Q of Cogint, Inc. for the quarter ended September 30, 2017 (the "Report"), the undersigned hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to my knowledge and belief, that:

- (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 Cogint, Inc.

November 8, 2017

By: /s/ Derek Dubner
Derek Dubner
Chief Executive Officer
(Principal Executive Officer)

The certification set forth above is being furnished as an Exhibit solely pursuant to Section 906 of the Sarbanes—Oxley Act of 2002 and is not being filed as part of the Report or as a separate disclosure document of Cogint, Inc. or the certifying officers.

**CERTIFICATION PURSUANT
TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the accompanying Quarterly Report on Form 10-Q of Cogint, Inc. for the quarter ended September 30, 2017 (the "Report"), the undersigned hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to my knowledge and belief, that:

- (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 Cogint, Inc.

November 8, 2017

By: /s/ Daniel MacLachlan
Daniel MacLachlan
Chief Financial Officer
(Principal Financial Officer)

The certification set forth above is being furnished as an Exhibit solely pursuant to Section 906 of the Sarbanes—Oxley Act of 2002 and is not being filed as part of the Report or as a separate disclosure document of Cogint, Inc. or the certifying officers.

